PHH CORP
Form DEFM14A
April 27, 2018

Use these links to rapidly review the document
TABLE OF CONTENTS
TABLE OF CONTENTS

Table of Contents

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934 (Amendment No.)

Filed by the Registrant ý

Filed by a Party other than the Registrant o

Check the appropriate box:

o Preliminary Proxy Statement

o **Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**

ý Definitive Proxy Statement

o Definitive Additional Materials

o Soliciting Material under §240.14a-12

PHH CORPORATION

(Name of Registrant as Specified In Its Charter)

N/A

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

o No fee required.

o Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

Common stock, par value $0.01 per share, of PHH Corporation ("Common Stock")

(2) Aggregate number of securities to which transaction applies:

32,557,494 shares of Common Stock outstanding as of April 3, 2018; performance based restricted stock units with respect to 62,601 shares of Common Stock; time based restricted stock units with respect to 195,037 shares of Common Stock; and 7,944

shares of restricted Common Stock

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

The filing fee was determined in accordance with Section 14(g) of the Securities Exchange Act of 1934, as amended, by multiplying 0.0001245 by the underlying value of the transaction of $361,053,836.00, which has been calculated as the sum of: (i) 32,557,494 shares of Common Stock multiplied by $11.00 per share; (ii) performance-based restricted stock units with respect to 62,601 shares of Common Stock multiplied by $11.00 per share; (iii) time-based restricted stock units with respect to 195,037 shares of Common Stock multiplied by $11.00 per share; and 7,944 shares of restricted Common Stock. (Cash settled equity awards and, because the weighted average exercise price of $17.85 per share exceeds the merger consideration of $11.00 per share, 901,310 options to purchase shares of Common Stock, were not included in the calculation of the underlying value of the transaction.)

(4) Proposed maximum aggregate value of transaction:

$361,053,836.00

(5) Total fee paid:

$44,951.20

ý Fee paid previously with preliminary materials.

o Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

Table of Contents

INVITATION TO SPECIAL MEETING

April 27, 2018

To our Stockholders:

You are cordially invited to attend a special meeting of stockholders of PHH Corporation, a Maryland corporation, or "***PHH***," which will be held on June 11, 2018, at 10:00 a.m., local time, at our offices located at 3000 Leadenhall Road, Mt. Laurel, New Jersey 08054. At the special meeting, stockholders will be asked to vote on a proposal to approve the merger of POMS Corp, or "***Merger Sub***," a wholly-owned subsidiary of Ocwen Financial Corporation, or "***Ocwen***," with and into PHH, with PHH surviving the merger and becoming a wholly-owned subsidiary of Ocwen, which we refer to as the "***merger***," on the terms and conditions of that certain Agreement and Plan of Merger, dated February 27, 2018, which we refer to as the "***merger agreement***," by and among Ocwen, Merger Sub and the Company, pursuant to which all of PHH's outstanding common stock will be acquired by Ocwen in an all cash transaction. If the merger on the terms and conditions of the merger agreement is approved and the merger is consummated, you will be entitled to receive $11.00 in cash, without interest and less any applicable withholding taxes, for each share of our common stock owned by you as of the closing date for the merger, as more fully described in the accompanying proxy statement.

In addition, you will be asked to vote on a non-binding advisory resolution approving the compensation of our named executive officers based on or that otherwise relates to the merger and the merger agreement as disclosed pursuant to Item 402(t) of Regulation S-K in the accompanying proxy statement and the other matters described in the accompanying Notice of Special Meeting.

Our board of directors, after consideration of a variety of factors, has unanimously determined that the merger on the terms and conditions of the merger agreement is advisable and in the best interests of us and our stockholders and approved the merger agreement and the transactions contemplated thereby, including the merger. **Our board of directors unanimously recommends that you vote (1) "*FOR*" the proposal to approve the merger on the terms and conditions of the merger agreement, (2) "*FOR*" the advisory (non-binding) proposal to approve certain compensation of our named executive officers based on or that otherwise relates to the merger and the merger agreement, and (3) if necessary or appropriate, "*FOR*" any adjournment or postponement of the special meeting to another date, time or place for the purpose of soliciting additional proxies for the proposals.**

YOUR VOTE IS EXTREMELY IMPORTANT REGARDLESS OF THE NUMBER OF SHARES YOU OWN.

The proposal to approve the merger on the terms and conditions of the merger agreement must be approved by the affirmative vote of the holders of at least a majority of the shares of our common stock outstanding on the record date and entitled to vote at the special meeting. The advisory resolution approving the compensation of our named executive officers based on or that otherwise relates to the merger and the merger agreement must be approved by the affirmative vote of holders of a majority of the shares of common stock present at the special meeting (in person or represented by proxy) and entitled to vote thereon. More information about the merger, the merger agreement, the advisory resolution approving the compensation of our named executive officers based on or that otherwise relates to the merger and the merger agreement, and the special meeting (including any adjournment or postponement thereof) is contained in the accompanying proxy statement. We encourage you to read the accompanying proxy statement in its entirety because it describes the terms of the merger, the merger agreement and the compensation of our named executive officers based on or that otherwise relates to the merger, as well as provides specific information about the special meeting and any adjournment or postponement thereof.

Table of Contents

If you do not vote on the merger proposal, or do not instruct your bank, broker or other nominee how to vote your shares for the merger proposal, it will have the same effect as voting against the merger proposal. With respect to the other proposals, however, if you do not vote or do not instruct your bank, broker or other nominee how to vote your shares, your shares will not be counted as votes cast and will have no effect on the outcome of the votes for these proposals.

In order to ensure that your shares are represented at the special meeting, whether you plan to attend or not, please vote your shares by telephone, electronically via the Internet or by completing and returning the enclosed proxy card or vote instruction form. If you vote using the enclosed proxy card or vote instruction form, you must sign, date and mail the proxy card or vote instruction form in the enclosed envelope. If you decide to attend the special meeting and wish to modify your vote, you may revoke your proxy and vote in person at the special meeting.

Admission to the special meeting will be by admission ticket only. If you are a stockholder of record and plan to attend the special meeting, retain the top portion of your proxy card as your admission ticket and bring it and a photo ID with you so that you may gain admission to the special meeting. If your shares are held through a bank, broker or other nominee, please contact your nominee and request that the nominee obtain an admission ticket for you or provide you with evidence of your share ownership, which will gain you admission to the special meeting.

Thank you for your continued interest in PHH Corporation. We look forward to seeing you at the special meeting.

Sincerely,

Robert Crowl
President and Chief Executive Officer

Neither the Securities and Exchange Commission nor any state securities regulatory agency has approved or disapproved the merger or the merger agreement, passed upon the merits or fairness of the merger or the merger agreement or passed upon the adequacy or accuracy of the disclosure in this document. Any representation to the contrary is a criminal offense.

The proxy statement is dated April 27, 2018, and is first being made available to stockholders on or about April 27, 2018.

Table of Contents

NOTICE OF SPECIAL MEETING
TO BE HELD ON JUNE 11, 2018

PHH CORPORATION

3000 Leadenhall Road
Mt. Laurel, New Jersey 08054

To our Stockholders:

A special meeting of stockholders of PHH Corporation, a Maryland corporation, or the "***Company,***" will be held on June 11, 2018, at 10:00 a.m., local time, at our offices located at 3000 Leadenhall Road, Mt. Laurel, New Jersey 08054 for the following purposes:

1. ***Proposal 1***: To consider and vote upon a proposal to approve the merger of POMS Corp, or "***Merger Sub***," a wholly-owned subsidiary of Ocwen Financial Corporation, or "***Ocwen***," with and into the Company with the Company surviving the merger and becoming a wholly-owned subsidiary of Ocwen in an all cash transaction valued at approximately $360 million, or $11.00 per share on a fully-diluted basis, which we refer to as the "***merger***," on the terms and conditions of that certain Agreement and Plan of Merger, dated February 27, 2018, which we refer to as the "***merger agreement***," by and among Ocwen, Merger Sub and the Company, which we refer to as the "***Merger Proposal***". A copy of the merger agreement is attached as *Annex A* to the accompanying proxy statement;

2. ***Proposal 2***: To consider and vote upon an advisory (non-binding) resolution concerning the compensation of our named executive officers based on or that otherwise relates to the merger and the merger agreement as disclosed pursuant to Item 402(t) of Regulation S-K in the accompanying proxy statement, which we refer to as the "***Merger-Related Compensation Proposal***";

3. ***Proposal 3***: To consider and vote upon a proposal to approve any adjournment or postponement of the special meeting to another date, time or place if necessary or appropriate for the purpose of soliciting additional proxies for the proposals to be acted upon at the special meeting if there are insufficient votes at the time of the special meeting or any adjournment thereof to approve one or more of the proposals, which we refer to as the "***Adjournment Proposal***"; and

4. To consider and vote upon such other business as may properly come before the special meeting and any adjournment or postponement thereof.

Our board of directors has fixed the close of business on April 3, 2018 as the record date for the determination of stockholders entitled to notice of and to vote at the special meeting and any adjournment or postponement thereof. Each share of the Company's common stock is entitled to one vote on all matters presented at the special meeting and any adjournment or postponement thereof.

Our board of directors has unanimously determined that the merger on the terms and conditions of the merger agreement is advisable and in the best interests of us and our stockholders and has approved the merger agreement and the transactions contemplated thereby, including the merger.

OUR BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT YOU VOTE "*FOR*" THE MERGER PROPOSAL, "*FOR*" THE MERGER-RELATED COMPENSATION PROPOSAL AND, IF NECESSARY OR APPROPRIATE, "*FOR*" THE ADJOURNMENT PROPOSAL.

Under the Maryland General Corporation Law, as amended, which we refer to as the "***MGCL***," holders of shares of our common stock are *not* entitled to appraisal or dissenters' rights or rights of objecting stockholders in connection with the merger because our common stock is listed on the New York Stock Exchange.

Table of Contents

We cannot complete the merger unless our stockholders approve the Merger Proposal, in addition to the satisfaction of the other conditions to closing of the merger. Accordingly, if the Merger Proposal does not receive the vote required for its approval, then the merger agreement will likely be terminated. The Merger Proposal will not be approved unless it receives the affirmative vote of the holders of at least a majority of the shares of our common stock then outstanding and entitled to vote on the proposal. The Merger-Related Compensation Proposal is only advisory in nature and is not binding on our board of directors or the Company. We, however, intend to review the voting results with our board of directors and the Human Capital and Compensation Committee of our board of directors so that such voting results may be taken into consideration in connection with our executive compensation decisions in connection with the merger.

Even if you plan to attend the special meeting in person, we request that you submit your proxy by telephone or via the Internet or complete, sign, date and return the enclosed proxy prior to the special meeting to ensure that your shares of common stock will be represented at the special meeting if you are unable to attend.

YOUR VOTE IS EXTREMELY IMPORTANT REGARDLESS OF THE NUMBER OF SHARES YOU OWN.

If you have Internet access, we encourage you to record your vote via the Internet. The Merger Proposal must be approved by the affirmative vote of the holders of at least a majority of the shares of our common stock outstanding on the record date and entitled to vote at the special meeting. Accordingly, the failure of any stockholder to vote on the Merger Proposal will have the same effect as a vote against the Merger Proposal by such stockholder. Additionally, if you fail to submit your proxy by telephone or via the Internet or fail to return your proxy card and you fail to attend the special meeting, your shares will not be counted for purposes of determining whether a quorum is present at the special meeting. If you are a stockholder of record, voting in person at the special meeting will revoke any previously submitted proxy. If you hold your shares through a bank, broker or other nominees, you must obtain a legal proxy from such nominee in order to vote in person at the special meeting.

Please note that space limitations make it necessary to limit attendance at the special meeting only to stockholders as of the record date (or their authorized representatives) holding evidence of ownership of our common stock. If your shares are held by a bank, broker or other nominee, please bring to the special meeting your statement evidencing your beneficial ownership of common stock and valid photo identification. The list of stockholders entitled to vote at the special meeting will be available for inspection at our principal executive offices at 3000 Leadenhall Road, Mt. Laurel, New Jersey 08054 during ordinary business hours.

BY ORDER OF THE BOARD OF DIRECTORS:

Vice President, Deputy General Counsel and Corporate Secretary

Date: April 27, 2018

IMPORTANT NOTICE REGARDING THE INTERNET AVAILABILITY OF PROXY MATERIALS FOR THE SPECIAL MEETING OF STOCKHOLDERS TO BE HELD ON JUNE 11, 2018. THIS NOTICE OF SPECIAL MEETING AND ACCOMPANYING PROXY STATEMENT IS AVAILABLE ON THE INTERNET AT:

http://www.proxyvote.com

Table of Contents

PROXY STATEMENT FOR SPECIAL MEETING OF STOCKHOLDERS

PHH CORPORATION

3000 Leadenhall Road
Mt. Laurel, New Jersey 08054

This proxy statement is being furnished to the holders of common stock, par value $0.01 per share, of PHH Corporation, a Maryland corporation, which we refer to herein as "***we***," "***us***," "***our***," "***PHH***" or the "***Company***," in connection with the solicitation by our board of directors of proxies to be voted at a special meeting of stockholders of the Company to be held on June 11, 2018, at 10:00 a.m., local time, at our offices located at 3000 Leadenhall Road, Mt. Laurel, New Jersey 08054, or at any adjournment or postponement of the special meeting, for the purposes set forth in the accompanying Notice of Special Meeting.

This proxy statement and the other proxy materials are first being mailed or made available via the Internet free of charge at *www.proxyvote.com* on or about April 27, 2018 to our stockholders as of the record date for the special meeting. If a stockholder executes and returns the enclosed proxy card or submits vote instructions to us by telephone or via the Internet, the stockholder may nevertheless revoke his, her or its proxy at any time prior to its use by filing with the Corporate Secretary of the Company a written revocation or a duly executed proxy bearing a later date or by submitting revised vote instructions to us by telephone or via the Internet prior to 11:59 p.m. E.D.T. time on Sunday, June 10, 2018, in accordance with the instructions on the enclosed proxy card. A stockholder who attends the special meeting in person may revoke his or her proxy at that time and vote in person if so desired.

Admission to the special meeting will be by admission ticket only. If you are a stockholder of record and plan to attend the special meeting, retain the top portion of your proxy card as your admission ticket and bring it and a photo ID with you so that you may gain admission to the special meeting. If your shares are held through a bank, broker or other nominee, please contact your nominee and request that the nominee obtain an admission ticket for you or provide you with evidence of your share ownership, which will gain you admission to the special meeting.

Unless revoked or unless contrary instructions are given, each proxy that is properly signed, dated and returned or authorized by telephone or via the Internet in accordance with the instructions on the enclosed proxy card or vote instruction form prior to the start of the special meeting will be voted as indicated on the proxy card or vote instruction form or via telephone or the Internet and if no indication is made, each such proxy will be deemed to grant authority to vote, as applicable:

1. ***Proposal 1***: To approve the merger of POMS Corp, or "***Merger Sub***", a wholly-owned subsidiary of Ocwen Financial Corporation, or "***Ocwen***", with and into PHH with PHH surviving the merger and becoming a wholly-owned subsidiary of Ocwen in an all cash transaction valued at approximately $360 million, or $11.00 per share on a fully-diluted basis, which we refer to as the "***merger***," on the terms and conditions of that certain Agreement and Plan of Merger, dated February 27, 2018, which we refer to as the "***merger agreement***," by and among Ocwen, Merger Sub and PHH, a copy of which is attached to this proxy statement as Annex A, or the "***Merger Proposal***";

2. ***Proposal 2***: To approve an advisory (non-binding) resolution concerning the compensation of our named executive officers based on or that otherwise relates to the merger and the merger agreement as disclosed pursuant to Item 402(t) of Regulation S-K in this proxy statement, or the "***Merger-Related Compensation Proposal***";

3. ***Proposal 3***: To approve any adjournment or postponement of the special meeting to another date, time or place if necessary or appropriate for the purpose of soliciting additional proxies for the proposals to be acted upon at the special meeting if there are insufficient votes at the time of the special meeting or any adjournment thereof to approve one or more of the proposals, or the "***Adjournment Proposal***"; and

4. At the discretion of the persons named in the enclosed proxy card, on any other matter that may properly come before the Special Meeting or any adjournment or postponement of the special meeting.

OUR BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT YOU VOTE "*FOR*" THE MERGER PROPOSAL, "*FOR*" THE TRANSACTIONS-RELATED COMPENSATION PROPOSAL AND, IF NECESSARY OR APPROPRIATE, "*FOR*" THE ADJOURNMENT PROPOSAL.

Table of Contents

TABLE OF CONTENTS

Table of Contents

Table of Contents

SUMMARY TERM SHEET

This summary term sheet, together with the question and answer section that follows, highlights selected information contained in this proxy statement and may not contain all of the information that is important to you. To understand the merger, the merger agreement, the advisory resolution approving the compensation of our named executive officers and the special meeting fully, and for a more complete description of the terms of the merger and the merger agreement, you should carefully read this entire proxy statement and the documents delivered with and incorporated by reference into this proxy statement. (See "Incorporation by Reference.") In this proxy statement, unless the context otherwise requires, the terms "we," "us," "our," "PHH" and "the Company" refer to PHH Corporation, a Maryland corporation.

THE MERGER AND THE MERGER AGREEMENT

The Parties to the Merger

PHH Corporation

PHH Corporation was incorporated in 1953 as a Maryland corporation. For periods between April 30, 1997 and February 1, 2005, we were a wholly owned subsidiary of Cendant Corporation (now known as Avis Budget Group, Inc.) and its predecessors and provided mortgage banking services, facilitated employee relocations and provided vehicle fleet management and fuel card services. On February 1, 2005, we began operating as an independent, publicly traded company pursuant to our spin-off from Cendant. On July 1, 2014, we sold our Fleet Management Services business and began operating as a stand-alone mortgage business.

Our mortgage business has provided outsourced mortgage banking services to a variety of clients, including financial institutions and real estate brokers throughout the U.S. and focused on originating, selling, servicing and subservicing residential mortgage loans through our wholly-owned subsidiary, PHH Mortgage Corporation and its subsidiaries, or collectively, "***PHH Mortgage***". In March 2016, we announced that management and our board of directors were undertaking a comprehensive review of all strategic options for our company.

As a result of the strategic review process, in November 2016, we announced our intentions to exit our Private Label Services origination business, or "***PLS business***". We are substantially complete with the wind-down of the PLS business, subject to certain transition support requirements. During 2017, we completed the delivery of $661 million of Mortgage servicing rights, or "***MSRs***," and advances under our sale agreements with New Residential Mortgage, LLC, or "***New Residential***," and Lakeview Loan Servicing LLC, or "***Lakeview***," which are collectively referred to as the "***MSR Sale***," and pursuant to ordinary course sales to other third parties. As part of these sales, we increased our subservicing and portfolio retention units through agreements with New Residential. Between August 2017 and December 2017, we completed the sale of certain assets of PHH Home Loans, LLC, or "***PHH Home Loans***," to Guaranteed Rate Affinity, LLC, or "***GRA***," a new joint venture established by Guaranteed Rate, Inc. and Realogy Holdings Corp., or "***Realogy***". We purchased Realogy's membership interests at book value on March 19, 2018. As of March 31, 2018, we have substantially completed the liquidation of the residual assets of PHH Home Loans and the results of our Real Estate channel will be presented as discontinued operations for our quarter ended March 31, 2018. These strategic actions to date allowed us to progress towards achieving a new business model of operating as a smaller, less capital-intensive business focused on subservicing and portfolio retention services.

For more information about us, please visit our website at www.phh.com. Our website address is provided as an inactive textual reference only. The information provided on our website is not part of this proxy statement, and therefore is not incorporated by reference. Our common stock is publicly traded on the NYSE under the symbol "PHH." Our executive offices are located at 3000 Leadenhall Road, Mt. Laurel, New Jersey 08054 and our telephone number is (856) 917-1744.

Table of Contents

Ocwen Financial Corporation

Ocwen Financial Corporation, or "***Ocwen***," is a Florida corporation organized in February 1988 and is a financial services holding company which, through its subsidiaries, services and originates loans. Ocwen is headquartered in West Palm Beach, Florida with offices located throughout the United States (U.S.) and in the United States Virgin Islands (USVI) and with operations in India and the Philippines. With its predecessors, Ocwen has been servicing residential mortgage loans since 1988. Ocwen has been originating forward mortgage loans since 2012 and reverse mortgage loans since 2013. In 2015, Ocwen began originating short-term loans to independent used car dealers but exited that business in early 2018 to focus on its core businesses of servicing and lending.

Additional information about Ocwen is available on its website at website http://www.ocwen.com. The website address is provided as an inactive textual reference only. The information contained on this website is not incorporated into, and does not form a part of, this proxy statement. The common stock of Ocwen is traded under the symbol "OCN" on the New York Stock Exchange (NYSE). Ocwen's executive offices are located at 1661 Worthington Road, Suite 100, West Palm Beach, Florida 33409, and its telephone number is (561) 682-8000.

POMS Corp

POMS Corp, a Maryland corporation, or "***Merger Sub***," is currently a wholly-owned subsidiary of Ocwen that was formed exclusively for the purpose of executing the merger agreement and effecting the transactions contemplated thereby, including the merger. Merger Sub has not carried on any activities to date other than those incident to its formation and the negotiation and execution of the merger agreement and the completion of the transactions contemplated by the merger agreement. Merger Sub's executive offices are located at 1661 Worthington Road, Suite 100, West Palm Beach, Florida 33409, and its telephone number is (561) 682-8000.

The Merger Agreement (See page 63 and *Annex A*)

On February 27, 2018, we entered into a definitive Agreement and Plan of Merger, or "***merger agreement***," with Ocwen and Merger Sub pursuant to which all of our outstanding common stock will be acquired by Ocwen in a merger of Merger Sub with and into PHH with PHH surviving the merger and becoming a wholly-owned subsidiary of Ocwen, or the "***merger***," in an all cash transaction valued at approximately $360 million, or $11.00 per share on a fully-diluted basis.

Effects of the Merger; Directors and Officers; Articles of Incorporation; Bylaws (See page 63)

The merger agreement provides for the merger of Merger Sub with and into PHH upon the terms, and subject to the conditions, set forth in the merger agreement. As the surviving corporation, PHH will continue to exist following the merger as a direct, wholly-owned subsidiary of Ocwen; however, shares of PHH common stock will no longer be listed on the New York Stock Exchange.

The parties have agreed under the merger agreement that, from and after the effective time, the board of directors of Merger Sub immediately prior to the effective time will become the initial directors of the surviving corporation, until their respective successors are duly appointed or until their earlier death, resignation or removal. From and after the effective time, the officers of PHH immediately prior to the effective time will become the initial officers of the surviving corporation, until their respective successors are duly appointed or until their earlier death, resignation or removal.

The articles of incorporation of PHH will be amended and restated at the effective time to be in the form of the articles of incorporation of Merger Sub as in effect immediately prior to the effective time (with necessary changes to reflect the name, date of incorporation, registered office and registered agent of PHH), which will be the articles of incorporation of the surviving corporation until thereafter

Table of Contents

amended in accordance with their terms and applicable law (subject to compliance with requirements in the merger agreement regarding the inclusion of provisions providing for the exculpation and indemnification of and advancement of expenses to PHH's officers, directors and certain other individuals).

At the effective time, the bylaws of PHH will be amended and restated in their entirety to be in the form of the bylaws of Merger Sub as in effect immediately prior to the effective time, and as so amended and restated will be the bylaws of the surviving corporation, until thereafter amended in accordance with their terms, the articles of incorporation of the surviving corporation and applicable law.

Closing and Effective Time of the Merger (See page 64)

Unless the parties otherwise agree, the closing of the merger, which we refer to as the "***closing***," will take place on the third business day following the first date on which the conditions to closing (described in the section of this proxy statement entitled " *Conditions to the Merger*"), other than those conditions that by their nature are to be satisfied only at the closing (but subject to the fulfillment or waiver of those conditions at the closing), have been satisfied or waived.

The merger will become effective at such time as the articles of merger are filed with the State Department of Assessments and Taxation of Maryland, or at such later time as Ocwen and PHH will agree and specify in the articles of merger.

Merger Consideration and Conversion of PHH shares (See page 64)

At the effective time, each share of PHH common stock issued and outstanding immediately prior to the effective time, other than shares owned by Ocwen or Merger Sub (excluding shares held by Ocwen and Merger Sub in mutual funds and the like or otherwise held in a fiduciary or agency capacity, that are beneficially owned by third parties), will be converted into the right to receive $11.00 per share in cash, without interest, which we refer to as the "***merger consideration***," subject to adjustment as described in the next paragraph.

If at any time during the period between the date of the merger agreement and the effective time, any change in the outstanding shares of PHH common stock occurs as a result of a reclassification, recapitalization, stock split or combination, exchange or readjustment of shares, or any stock dividend with a record date during such period, the merger consideration will be appropriately adjusted to reflect such change. In addition, if PHH pays any cash dividend (subject to Ocwen's prior consent) between the date of the merger agreement and the effective time, the merger consideration will be appropriately adjusted such that the aggregate amount of consideration payable in respect of PHH common stock and equity awards will be reduced by the aggregate amount of such cash dividend.

At the effective time, each share of PHH common stock owned by Ocwen or Merger Sub (excluding shares held by Ocwen and Merger Sub in mutual funds and the like or otherwise held in a fiduciary or agency capacity, that are beneficially owned by third parties) will be canceled without payment of any consideration.

Treatment of Equity Awards (See page 66)

At the effective time, any equity awards of PHH outstanding immediately prior to the effective time will be treated as follows:

Each stock option, whether vested or unvested, that is outstanding immediately prior to the effective time will be cancelled and converted into the right to receive an amount in cash equal to the product of (x) the total number of shares of our common stock subject to such stock option immediately prior to the effective time multiplied by (y) the excess, if any, of $11.00 over

Table of Contents

the per share exercise price of the stock option, without interest, and subject to any applicable withholding taxes. Since all of the outstanding stock options have a per share exercise price greater than $11.00, all of the stock options will be cancelled at the effective time for no consideration or payment.

Each time-based restricted stock unit (whether cash settled or stock settled) and each time-based restricted cash unit that tracks the value of a share of our common stock, in each case, that is outstanding immediately prior to the effective time will accelerate in full and be cancelled and converted into the right to receive an amount in cash equal to the product of (x) the number of shares of our common stock subject to such unit multiplied by (y) $11.00, without interest and subject to any applicable withholding taxes.

Each performance-based restricted stock unit (whether cash settled or stock settled) that is outstanding immediately prior to the effective time will accelerate in full and be cancelled and converted into the right to receive an amount in cash equal to the product of (x) the number of shares of our common stock subject to such unit based on the actual performance through immediately prior to the effective time, as reasonably determined by the compensation committee of the board of directors of PHH, multiplied by (y) $11.00, without interest and subject to any applicable withholding taxes. Based on expected actual performance immediately prior to the effective time of the merger, which is based on the assumed stock price of $11.00 and will be determined by the Human Capital and Compensation Committee of our board of directors, all of the performance-based restricted stock units will be valueless and will be cancelled at the effective time for no consideration or payment.

Each share of PHH common stock granted under PHH's equity incentive plans that is subject to vesting, repurchase or other lapse restrictions will accelerate in full and be cancelled and converted into the right to receive $11.00, without interest and subject to any applicable withholding taxes.

Treatment of Existing Indebtedness (See page 78)

In connection with the merger, Ocwen will assume, through the surviving corporation, PHH's 7.375% Senior Notes due 2019 and 6.375% Senior Notes due 2021, and either pay off or assume PHH's existing warehouse facilities and advance receivables facility. Prior to the effective time, Ocwen will execute and deliver any supplements, amendments or other instruments required for the assumption of the senior notes.

Recommendation of our Board of Directors (See page 44)

Our board of directors, at a special meeting held on February 27, 2018, after due consideration, unanimously (i) determined that the merger on the terms and conditions of the merger agreement is advisable and in the best interests of us and our stockholders, (ii) approved the merger agreement and the transactions contemplated thereby, including the merger, and (iii) directed that the merger on the terms and conditions of the merger agreement be submitted for consideration by our stockholders at a special meeting of stockholders. **Our board of directors unanimously recommends that stockholders vote "*FOR*" the Merger Proposal.** For a discussion of the factors considered by our board of directors in reaching its conclusions, see "*Proposal 1 The Approval of the Merger Proposal Reasons for Recommending the Merger*" on page 40.

Opinion of the Company's Financial Advisor (See page 45 and *Annex B*)

In connection with the proposed merger, PHH's financial advisor, Credit Suisse Securities (USA) LLC, which we refer to as "***Credit Suisse***," delivered an opinion, dated February 27, 2018, to the board of directors as to the fairness, from a financial point of view and as of the date of such opinion,

Table of Contents

of the merger consideration to be received by holders of PHH common stock pursuant to the merger agreement. The full text of Credit Suisse's written opinion, dated February 27, 2018, is attached to this proxy statement as *Annex B* and sets forth, among other things, the assumptions made, procedures followed, matters considered and limitations and qualifications on the review undertaken by Credit Suisse in connection with such opinion. **The description of Credit Suisse's opinion set forth in this proxy statement is qualified in its entirety by reference to the full text of Credit Suisse's opinion. Credit Suisse's opinion was provided to the board of directors (in its capacity as such) for its information in connection with its evaluation of the merger consideration from a financial point of view and did not address any other terms, aspects or implications of the proposed merger, the relative merits of the merger as compared to alternative transactions or strategies that might be available to PHH or the underlying business decision of the board of directors or PHH to proceed with the merger. Credit Suisse's opinion does not constitute advice or a recommendation to any securityholder as to how such securityholder should vote or act on any matter relating to the proposed merger or otherwise.**

Conditions to the Merger (See page 66)

The respective obligations of PHH, Ocwen and Merger Sub to effect the merger are subject to the satisfaction or waiver on or prior to the effective time of the following conditions:

- the approval of the merger by the affirmative vote of the holders of a majority of the total number of shares of our common stock outstanding and entitled to vote on the matter;
- the filing of notifications with or the receipt of consents and approvals from, certain governmental authorities or government-sponsored enterprises required to consummate the transactions contemplated by the merger agreement (we refer to such notifications, consents and approvals as "***required governmental approvals***"), in each case without the imposition of any "burdensome condition" (as defined below in " *Required Regulatory Approvals*" on page 50);
- the expiration or termination of the waiting period applicable to the consummation of the merger under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, or the "***HSR Act***" (which termination has already occurred); and
- the absence of (x) any order, injunction or judgment prohibiting, enjoining or otherwise preventing the consummation of the merger or any of the other transactions contemplated by the merger agreement and (y) any law prohibiting or making illegal the consummation of the merger or any of the other transactions contemplated by the merger agreement.

The obligations of Ocwen and Merger Sub to effect the merger are further subject to the satisfaction or waiver by Ocwen on or prior to the effective time of the following additional conditions:

- subject to certain materiality qualifiers, the accuracy of the representations and warranties made by PHH in the merger agreement;
- PHH's performance in all material respects of its covenants and agreements in accordance with the merger agreement at or prior to the closing date;
- the absence of a PHH material adverse effect since the date of the merger agreement;
- the receipt by Ocwen of a certificate signed on behalf of PHH by an executive officer of PHH to the effect that the foregoing conditions have been satisfied;
- the consummation of (i) the sale of certain assets of PHH Home Loans to GRA and (ii) PHH's purchase of Realogy's interests in PHH Home Loans, which we refer to collectively as the "***PHH Home Loans transactions***" (both of these

transactions have been completed); and

Table of Contents

the completion of PHH's exit from its private label solutions business (the exit will be deemed complete for purposes of this condition if there are less than 100 loans remaining that are being originated by PHH and its subsidiaries for their private label solutions clients). As of the date of this proxy statement, fewer than 10 loans remain that are being originated by PHH and its subsidiaries for their private label solutions clients.

The obligation of PHH to effect the merger is further subject to the satisfaction or waiver by PHH on or prior to the closing date of the following additional conditions:

subject to certain materiality qualifiers, the accuracy of the representations and warranties made by Ocwen and Merger Sub in the merger agreement;

Ocwen's and Merger Sub's performance in all material respects of their covenants and agreements in accordance with the merger agreement at or prior to the closing date; and

the receipt by PHH of a certificate signed by an executive officer of Ocwen to the effect that the foregoing conditions have been satisfied.

PHH Material Adverse Effect (See page 68)

"PHH material adverse effect" means any change, effect, event, occurrence, state of facts or development that (i) has a material adverse effect on the business, financial condition or results of operations of PHH and its subsidiaries taken as a whole (excluding those assets, liabilities, businesses and employees that have been or will be sold, assigned or otherwise transferred to or assumed by the applicable purchasers as a result of the PHH Home Loans transactions or the MSR Sale) or (ii) materially impairs or delays beyond the outside date (as defined below in " *Termination of the Merger Agreement*"), or would reasonably be expected to materially impair or materially delay beyond the outside date, PHH's ability to consummate the transactions contemplated by the merger agreement.

Further, a PHH material adverse effect will be deemed to have occurred if PHH's adjusted net worth is more than $47.5 million below a prescribed amount (which prescribed amount ranges from approximately $393 million to approximately $489 million, depending on the date of measurement) or if PHH fails to maintain a minimum amount of available cash of a prescribed amount (ranging from approximately $293 million to approximately $367 million, depending on the date of measurement). The parties have agreed that certain changes in PHH's net worth or cash will be excluded from the determination of adjusted net worth and available cash.

Required Regulatory Approvals (See page 50)

The consummation of the merger is subject to the filing of all required regulatory notifications, the expiration or termination of any applicable statutory waiting period under the HSR Act (which termination has already occurred), and the receipt of all required regulatory approvals, in each case as such notifications, waiting period and approvals are specified in the merger agreement. The approvals and notices required to complete the merger on the terms and conditions of the merger agreement include (a) notices to, and approvals of, various state regulatory agencies of the change in control of PHH or its subsidiaries and (b) notices to, and approvals of, various federal regulatory agencies and government sponsored entities of the transactions contemplated by the merger agreement.

Each party has agreed to use its reasonable best efforts to take (or cause to be taken) all actions and do (or cause to be done) all things necessary, proper or advisable to consummate the merger as soon as practicable. In addition, Ocwen has agreed to use reasonable best efforts to take (or cause to be taken) all actions and do (or cause to be done) all things that any governmental authority indicates would be required in order to obtain any required governmental approvals or avoid any injunction or law that would enjoin, prevent or prohibit the consummation of the transactions contemplated by the merger agreement. However, Ocwen is not required to, and PHH may not, take any action or commit

Table of Contents

to take any action or agree to any restraint, restriction, limitation, term, requirement, provision or condition that would, individually or in the aggregate, reasonably be expected to, impair in any material respect the business or financial condition of Ocwen and its subsidiaries (including the surviving corporation and its subsidiaries), taken as a whole (we refer to each such restraint, restriction, limitation, term, requirement, provision or condition as a "***burdensome condition***"). In addition, neither party is required to commence any litigation with any governmental authority to oppose any enforcement action by any governmental authority or remove any regulatory orders impeding the parties' ability to consummate the merger.

No Solicitation by PHH (See page 75)

PHH has agreed that, subject to certain exceptions described below, it will not, and will use reasonable best efforts to cause its subsidiaries and its or their respective officers, directors, employees and representatives not to, directly or indirectly:

- solicit, initiate or knowingly encourage, induce or facilitate (including by way of providing information) any proposal or offer (whether or not in writing) with respect to, or any inquiry or proposal that would reasonably be expected to result in, any "takeover proposal" (as such term is defined in "*The Merger Agreement No Solicitation by PHH"* on page 75);

- participate in any discussions or negotiations with any person regarding, or furnish any information or cooperate in any way with any person with respect to, any takeover proposal or any inquiry or proposal that would reasonably be expected to result in a takeover proposal;

- approve or recommend any takeover proposal;

- approve, recommend, execute or enter into any letter of intent, agreement in principle, memorandum of understanding, merger agreement, asset or share purchase or share exchange agreement, option agreement or other similar agreement related to any takeover proposal (each such letter, memorandum or agreement is referred to as an "***acquisition agreement***");

- enter into any agreement or agreement in principle requiring PHH to abandon, terminate or fail to consummate the transactions contemplated by the merger agreement or breach its obligations thereunder; or

- propose or agree to do any of the foregoing.

However, at any time prior to the approval of the merger by PHH's stockholders, in response to an unsolicited *bona fide* written takeover proposal that did not result from any material breach of the non-solicitation restrictions described above and certain other provisions of the merger agreement, PHH may (i) contact the person making such takeover proposal to clarify the terms and conditions of the takeover proposal and (ii) if our board of directors concludes in good faith, after consultation with its outside legal and financial advisors, that such takeover proposal constitutes or is reasonably likely to result in a "superior proposal" (as such term is defined in "*The Merger Agreement No Solicitation by PHH"* on page 75), PHH may:

- furnish information with respect to PHH and its subsidiaries to the person or group of persons who has made such takeover proposal pursuant to a confidentiality agreement that contains (x) confidentiality terms that are, as determined by PHH in good faith, no less favorable in the aggregate to PHH than those contained in the confidentiality agreement with Ocwen and (y) a customary standstill provision, as long as any material non-public information furnished to such person or group has previously been provided to Ocwen or is provided to Ocwen substantially concurrently with the provision of such information to such person or group; and

- participate in discussions regarding the terms of such takeover proposal and the negotiation of such terms with the person making such takeover proposal.

Table of Contents

Adverse Recommendation Change; Fiduciary Termination (See page 76)

PHH has agreed that, subject to certain exceptions as described below, neither our board of directors nor any committee thereof will (i) withdraw or propose to withdraw (or modify or propose to modify in any manner adverse to Ocwen) our board of directors' recommendation of the merger agreement and the transactions contemplated thereby to PHH's stockholders, (ii) approve, recommend or declare advisable, or propose publicly to approve, recommend or declare advisable, any takeover proposal, (iii) approve, recommend or declare advisable, or propose to approve, recommend or declare advisable, or allow PHH or any of its subsidiaries to execute or enter into, any acquisition agreement, (iv) enter into any agreement, letter of intent, or agreement in principle requiring PHH to abandon, terminate or fail to consummate the transactions contemplated by the merger agreement or breach its obligations thereunder, (v) fail to recommend against any takeover proposal subject to federal tender offer rules in a Solicitation/Recommendation Statement on Schedule 14D-9 within 10 business days after the commencement of such takeover proposal, (vi) fail to include our board of directors' recommendation of the merger agreement in this proxy statement or re-affirm such recommendation within 10 business days following Ocwen's written request (provided that Ocwen may not make such request more than twice in connection with any takeover proposal), or (vii) resolve or agree to do any of the actions in the foregoing clauses (i) through (vi) (we refer to any of the foregoing actions as an "***adverse recommendation change***").

Notwithstanding the foregoing restrictions, at any time prior to the approval of the merger by PHH's stockholders, our board of directors may, in response to an unsolicited *bona fide* written takeover proposal that did not result from any material breach of the non-solicitation restrictions described above under " *No Solicitation by PHH*" and compliance with certain other provisions of the merger agreement as described under "*The Merger Agreement Adverse Recommendation Change; Fiduciary Termination"* on page 76, make an adverse recommendation change or terminate the merger agreement to enter into a definitive acquisition agreement with respect to such takeover proposal if our board of directors has determined, after consultation with its outside legal and financial advisors, that such takeover proposal constitutes a superior proposal and that, following consultation with outside legal counsel, the failure to make an adverse recommendation change or terminate the merger agreement is reasonably likely to violate our board of directors' fiduciary duties to PHH's stockholders under applicable law.

In addition, at any time prior to the approval of the merger by PHH's stockholders, subject to compliance with certain other provisions of the merger agreement as described under "*The Merger Agreement Adverse Recommendation Change; Fiduciary Termination"* on page 76, our board of directors may make an adverse recommendation change in response to an "intervening event" (as defined below) if our board of directors determines, after consultation with its outside legal counsel, that failure to make an adverse recommendation change is reasonably likely to violate our board of directors' fiduciary duties to PHH's stockholders under applicable law. For purposes of the merger agreement, an "intervening event" refers to any material development or change in circumstances relating to PHH or any of its subsidiaries occurring or arising after the date of the merger agreement that (i) was not known by nor reasonably foreseeable to our board of directors as of the date of the merger agreement, and (ii) does not relate to or involve any takeover proposal; provided, however, that in no event will any of the following be deemed, either alone or in combination, to constitute an interviewing event: (1) changes in the market price or trading volume of PHH common stock, in and of themselves, (2) the timing of any required governmental approval, (3) the dismissal or any other resolution of the CFPB litigation (as defined below under " *CFPB Litigation*") or (4) the fact that, in and of itself, PHH exceeds internal or published projections.

PHH will be required to pay a termination fee of $12,600,000 to Ocwen if the merger agreement is terminated under certain circumstances, as described under " *Termination Fee*" below.

Table of Contents

Termination of the Merger Agreement (See page 82)

The merger agreement may be terminated and the merger may be abandoned at any time prior to the effective time (notwithstanding any stockholder approval) in the following circumstances:

- by mutual written consent of Ocwen and PHH;
- by either Ocwen or PHH if:
  - the merger has not been consummated on or before September 27, 2018, which we refer to as the "***outside date***," provided that the outside date will be extended to December 27, 2018 if the closing condition relating to the receipt of the required governmental approvals has not been satisfied on September 27, 2018 but all other conditions described under "*Conditions to the Merger*" have been satisfied (or, in the case of conditions that by their terms are to be satisfied at the closing, capable of being satisfied on such date); provided, further, that this right to terminate the merger agreement will not be available to a party that has breached the merger agreement and such breach was the primary cause of or resulted in the failure to consummate the merger by the outside date;
  - any permanent injunction prohibiting the merger or any of the transactions contemplated by the merger agreement has become effective, final and nonappealable, or any law prohibiting the merger or any of the transactions contemplated by the merger agreement has been enacted, promulgated or enforced by any governmental authority; provided, that the terminating party has complied in all material respects with its obligations described under "*Efforts to Obtain Regulatory Approvals*"; or
  - the vote required to adopt the merger agreement is not obtained at the special meeting of PHH stockholders.

PHH will be required to pay a termination fee of $12,600,000 to Ocwen if the merger agreement is terminated under certain circumstances, as described under "*Termination Fee*" below.

In addition, PHH may terminate the merger agreement in the following circumstances:

- prior to the approval of the merger agreement by PHH's stockholders, in order to enter into a definitive acquisition agreement with respect to a superior proposal; provided that PHH has complied in all material respects with its obligations described under "*No Solicitation by PHH*" and certain procedures described under "*Adverse Recommendation Change; Fiduciary Termination*" above, and concurrently pays the termination fee to Ocwen as described under "*Termination Fee*" below; or
- there has been a material breach of any representation, warranty, covenant or agreement in the merger agreement by Ocwen or Merger Sub, which breach would give rise to the failure to satisfy a condition to PHH's obligation to consummate the merger, and such failure is not curable or has not been cured within the earlier of the outside date and 30 days following PHH's written notice to Ocwen of such breach; provided that PHH will not have this right to terminate the merger agreement if PHH is then in breach of any representation, warranty, covenant or agreement in the merger agreement that would give rise to the failure to satisfy a condition to Ocwen's and Merger Sub's obligation to consummate the merger.

In addition, Ocwen may terminate the merger agreement in the following circumstances:

- prior to the approval of the merger agreement by PHH's stockholders, our board of directors has made an adverse recommendation change; or

there has been a material breach of any representation, warranty, covenant or agreement in the merger agreement by PHH, which breach would give rise to the failure to satisfy a condition to

Table of Contents

Ocwen's and Merger Sub's obligation to consummate the merger, and such failure is not curable or has not been cured within the earlier of the outside date and 30 days following Ocwen's written notice to PHH of such breach; provided that Ocwen will not have this right to terminate the merger agreement if Ocwen is then in breach of any representation, warranty, covenant or agreement in the merger agreement that would give rise to the failure to satisfy a condition to PHH's obligation to consummate the merger.

If the merger agreement is terminated, it will become void and of no effect with no liability on the part of any party to another party; provided, however, that (i) certain provisions, including those relating to confidentiality, termination fee, governing law and jurisdiction will survive the termination and (ii) no party will be released from liabilities arising out of any willful breach of the merger agreement or fraud.

Termination Fee (See page 82)

PHH will be required to pay a termination fee of $12,600,000 to Ocwen under the following circumstances:

Ocwen terminates the merger agreement as a result of an adverse recommendation change by our board of directors at any time prior to the approval of the merger by our stockholders;

PHH terminates the merger agreement in order to enter into a definitive acquisition agreement with respect to a superior proposal at any time prior to the approval of the merger by our stockholders; or

(i) a third party has publicly announced and not withdrawn a takeover proposal prior to the special meeting of PHH's stockholders to vote on the adoption of the merger agreement or the termination of the merger agreement, (ii) PHH or Ocwen terminates the merger agreement due to the failure to obtain the required PHH stockholder approval of the merger agreement or the failure to consummate the merger on or before the outside date, or Ocwen terminates the merger agreement due to a material breach by PHH, and (iii) within 12 months of such termination, PHH consummates a takeover proposal or enters into a definitive acquisition agreement with respect to a takeover proposal that is subsequently consummated; or

PHH or Ocwen terminates the merger agreement due to the failure to obtain the required PHH stockholder approval of the merger agreement but, at the time of such termination, Ocwen would also have been permitted to terminate the merger agreement as a result of an adverse recommendation change by our board of directors.

In the event the termination fee is payable, from and after the payment of the termination fee by PHH to Ocwen, PHH will have no further liability of any kind.

Certain Federal Income Tax Consequences of the Merger (See page 51)

The receipt of cash for shares of our common stock pursuant to the merger generally will be a taxable transaction for U.S. federal income tax purposes. The receipt of cash by a U.S. Holder in exchange for such U.S. Holder's shares of PHH common stock in the merger generally will result in the recognition of gain or loss in an amount measured by the difference between the cash such U.S. Holder receives in the merger and such U.S. Holder's adjusted tax basis in the shares of PHH common stock surrendered in the merger. A Non-U.S. Holder generally will not be subject to U.S. federal income tax with respect to the exchange of our common stock for cash in the Merger unless such Non-U.S. Holder has certain connections to the United States. You are encouraged to read the discussion under " *Certain Federal Income Tax Consequences of the Merger U.S. Holders*" beginning on page 52 of this proxy statement and to consult with your own tax advisors concerning the U.S. federal income tax consequences relating to the merger in light of your particular circumstances and

Table of Contents

any consequences arising under the laws of any state, local or foreign taxing jurisdiction or other tax laws.

Interests of Our Directors and Executive Officers (See Page 54)

In considering the recommendation of our board of directors that you vote to approve the Merger Proposal, you should be aware that aside from their interests as stockholders of PHH, certain of our directors and executive officers may have interests in the merger that are different from, or in addition to, the interests of the holders of our common stock. The members of our board of directors were aware of and considered these interests, among other matters, in evaluating and negotiating the merger agreement and the merger, and in recommending to our stockholders that the Merger Proposal be approved. These interests include the following:

- certain of our directors and executive officers hold outstanding stock options, restricted stock units or shares of restricted stock that will be cancelled and converted into the right to receive the merger consideration in excess of any per share exercise price and without interest and subject to any applicable withholding taxes;

- certain of our executive officers are parties to arrangements with us that provide for severance benefits in the event of certain qualifying terminations of employment in connection with the merger;

- certain of our executive officers are entitled to be paid cash incentive bonuses under the PHH 2018 Management Incentive Plan and the 2018 cash performance incentive awards in the event of certain qualifying terminations of employment in connection with the merger;

- certain of our executive officers are entitled to cash retention awards in the event of certain qualifying terminations of employment in connection with the merger; and

- the merger agreement provides for continued indemnification and directors' and officers' liability insurance to be provided by us as the surviving corporation.

For more information, see "*Proposal 1 The Approval of the Merger Proposal Interests of Our Directors and Executive Officers*" beginning on page 54 of this proxy statement.

No Dissenters' Rights or Rights of Objecting Stockholders (See Page 27 and Page 53)

Holders of our common stock are not entitled to dissenting stockholders' appraisal rights, rights of objecting stockholders or other similar rights in connection with the merger under our charter and Maryland General Corporation Law, or the "***MGCL***. Subject to the limited circumstances set forth in Section 3-202(d) of the MGCL, the MGCL does not provide for appraisal rights or other similar rights to stockholders of a corporation in connection with a merger of a corporation if the shares of the corporation are listed on the NYSE on the record date for determining stockholders entitled to vote on the transaction. The circumstances of the merger do not satisfy the conditions set forth in Section 3-202(d) of the MGCL that would trigger such appraisal rights or similar rights.

Effects on the Company if the Merger is Not Consummated (See Page 54)

If the Merger Proposal is not approved by our stockholders or if the merger is not consummated for any other reason, our stockholders will not receive any payment for their shares of PHH common stock. Instead, PHH will remain a public company, our common stock will continue to be listed and traded on the NYSE and registered under the Exchange Act, and we will continue to file periodic reports with the SEC. Under specified circumstances, upon termination of the Merger Agreement, PHH may be required to pay Ocwen a termination fee, as described under "*The Merger Agreement Termination Fee*" beginning on page 82 of this proxy statement.

Table of Contents

Furthermore, if the merger is not consummated, and depending on the circumstances that would have caused the merger not to be consummated, it is likely that the price of our common stock will decline significantly. If that were to occur, it is uncertain when, if ever, the price of our common stock would return to the price at which it trades as of the date of this proxy statement.

THE SPECIAL MEETING

Date, Time and Place (See page 25)

The special meeting will take place on Monday, June 11, 2018, at 10:00 a.m., local time, at our offices located at 3000 Leadenhall Road, Mt. Laurel, New Jersey 08054. See " *The Special Meeting Date, Time, Place and Purpose of the Special Meeting*."

Purpose (See page 25)

At the special meeting, you will be asked to consider and vote upon: (1) the Merger Proposal; (2) the Merger-Related Compensation Proposal, (3) the Adjournment Proposal, and (4) such other business as may properly come before the special meeting and any adjournment or postponement thereof. See " *The Special Meeting Date, Time, Place and Purpose of the Special Meeting*."

Record Date and Voting Securities (See page 25)

You are entitled to notice of, and to vote at, the special meeting and any adjournment or postponement thereof, if you are a holder of record of our common stock as of the close of business on April 3, 2018, the record date for the special meeting. You will have one vote for each share of our common stock that you owned on the record date. As of the record date, there were 32,557,494 shares of our common stock issued and outstanding and entitled to receive notice of and to vote at the special meeting. See " *The Special Meeting Record Date*."

Quorum; Vote Required (See page 25)

Under Section 1.05 of our Amended and Restated Bylaws, a quorum consisting of a majority of all the votes entitled to be cast at the special meeting must be represented in person or by proxy for the transaction of business at the special meeting. Pursuant to Article EIGHTH, paragraph (a)(4) of our Articles of Amendment and Restatement and as permitted by Section 2-104(b)(5) of the MGCL, the approval of the merger on the terms and conditions of the merger agreement requires the affirmative vote of the holders of a majority of the total number of shares of our common stock outstanding and entitled to vote on the matter, notwithstanding the requirements of Section 3-105(e) of the MGCL otherwise requiring authorization by a greater proportion for that purpose. Under Section 1.05 of our Amended and Restated Bylaws, the approval of the advisory resolution approving the compensation of our named executive officers as disclosed pursuant to Item 402(t) of Regulation S-K and any adjournment of the special meeting each requires the affirmative vote of a majority of the votes cast on such proposal at a special meeting at which a quorum is present. See " *The Special Meeting Quorum; Vote Required*."

Voting by, and Revocation of, Proxy (See page 26)

Our board of directors has selected Robert Crowl, our President and Chief Executive Officer, and Ryan Melcher, our Vice President, Deputy General Counsel and Corporate Secretary, to serve as proxies at the special meeting. The shares of common stock represented by each proxy authorized by telephone, electronically via the Internet and completed and returned proxy card will be voted in accordance with the directions indicated. If you submit a proxy by telephone or via the Internet, or sign and return your proxy card by mail, without indicating your vote, your shares will be voted "*FOR*" the Merger Proposal, "*FOR*" the Merger-Related Compensation Proposal, and, if necessary or appropriate,

Table of Contents

"*FOR*" the Adjournment Proposal. If you hold your shares in "street name" or through a bank, broker or other nominee and you do not provide instructions as to how your shares are to be voted on "non-routine" matters, however, your bank, broker or other nominee will not be able to vote your shares on your behalf and your shares will be reported as "broker non-votes." The proxy also confers discretionary authority to vote the shares authorized to be voted thereby on any matter that properly may be presented for action at the special meeting. We know of no other business to be presented at the special meeting, and no other matters properly may be presented for a vote at the special meeting. See " *The Special Meeting Other Business*."

Any proxy given may be revoked by the person giving it at any time before it is voted at the special meeting. Proxies may be revoked by submitting a new proxy bearing a later date to our corporate secretary (including a proxy authorization submitted by telephone or electronically through the Internet prior to the deadline for voting by telephone or the Internet), by delivering a written notice of revocation to our corporate secretary bearing a later date than the date of your proxy card, or by attending the special meeting and voting in person. If you have shares held in "street name" or by a bank, broker or other nominee, you may change your vote by submitting a later dated voting instruction form to your bank, broker or other nominee, or if you obtained a legal proxy from your bank, broker or other nominee giving you the right to vote your shares, by attending the special meeting and voting in person. Your attendance at the special meeting, however, will not, by itself, revoke your proxy or otherwise vote your shares.

You can vote your shares by telephone, electronically via the Internet or by completing and returning the enclosed proxy card. If you vote using the enclosed proxy card, you must sign, date and mail the proxy card in the enclosed envelope.

For the Merger Proposal, you may vote FOR, AGAINST or ABSTAIN. The Merger Proposal must be approved by the affirmative vote of the holders of at least a majority of the shares of our common stock outstanding on the record date and entitled to vote at the special meeting. **Accordingly, if you abstain, it will have the same effect as a vote "*AGAINST*" the Merger Proposal**; although, votes cast as abstentions will be considered present for the special meeting and for purposes of determining the presence of a quorum. For the Merger-Related Compensation Proposal and, if necessary or appropriate, the Adjournment Proposal, you may vote FOR, AGAINST, or ABSTAIN. The Merger-Related Compensation Proposal and the Adjournment Proposal each require the approval of the affirmative vote of a majority of the votes cast on such proposal at a special meeting at which a quorum is present. Accordingly, abstentions and broker non-votes, if any, will also be taken into account for the purpose of determining whether a quorum is present at the special meeting, but will not be counted as votes cast on these proposals and will have no effect on the outcome of the vote for each of the Merger-Related Compensation Proposal and the Adjournment Proposal. See " *The Special Meeting Proxies and Revocation*."

MARKET PRICE OF OUR COMMON STOCK AND DIVIDENDS (See Page 89)

Our common stock is listed on the NYSE under the symbol "PHH." On February 26, 2018, the last trading day prior to the public announcement of the execution of the merger agreement, the closing price of our common stock on the NYSE was $8.84 per share. On April 26, 2018, the latest practicable trading day before the printing of this proxy statement, the closing price of our common stock on the NYSE was $10.68 per share. You are encouraged to obtain current market quotations for our common stock in connection with voting your shares.

DELISTING AND DEREGISTRATION OF OUR COMMON STOCK

If the merger is consummated, following the effective time, our common stock will cease trading on the NYSE and will be deregistered under the Exchange Act. As such, we would no longer file periodic reports with the SEC.

Table of Contents

QUESTIONS AND ANSWERS ABOUT THE SPECIAL MEETING AND THE MERGER

The following questions and answers are intended to address briefly some commonly asked questions regarding the special meeting, the merger, the advisory (non-binding) resolution concerning the compensation of our named executive officers and the adjournment or postponement of the special meeting. These questions and answers may not address all questions that may be important to you as a PHH stockholder. Please refer to the "Summary Term Sheet" and the more detailed information contained elsewhere in this proxy statement and the annexes to this proxy statement which you should read carefully.

Q.

Why am I receiving these proxy materials?

A.

On February 27, 2018, PHH entered into a definitive Agreement and Plan of Merger with Ocwen and Merger Sub pursuant to which Merger Sub will merge with and into PHH with PHH surviving the merger and becoming a wholly-owned subsidiary of Ocwen. As a result of the merger, all of the outstanding common stock of PHH will be acquired by Ocwen in an all cash transaction valued at approximately $360 million, or $11.00 per share on a fully-diluted basis. The board of directors of PHH is furnishing this proxy statement and form of proxy card to the holders of PHH common stock in connection with the solicitation of proxies to be voted at a special meeting of stockholders with respect to (1) the proposal to approve the merger on the terms and conditions of the merger agreement, (2) the proposal to approve an advisory (non-binding) resolution concerning the compensation of our named executive officers based on or that otherwise relates to the merger and the merger agreement, and, if necessary or appropriate, and (3) the proposal to approve the adjournment or postponement of the special meeting to another date, time or place if necessary or appropriate, for the purpose of soliciting additional proxies for the proposals to be acted upon at the special meeting if there are insufficient votes at the time of the special meeting or any adjournment thereof to approve one or more of the proposals.

Q.

When and where is the special meeting going to be held?

A.

The special meeting will be held at our offices located at 3000 Leadenhall Road, Mt. Laurel, New Jersey, on Monday, June 11, 2018, at 10:00 a.m., local time. Registration and seating will begin at 9:00 a.m., local time.

Q.

What is the proposed transaction?

A.

The proposed transaction is PHH's acquisition by Ocwen through the merger of Merger Sub with and into PHH upon the terms, and subject to the conditions, set forth in the merger agreement, with PHH as the surviving corporation. As the surviving corporation, PHH will continue to exist following the merger as a direct, wholly-owned subsidiary of Ocwen. However, shares of PHH common stock will no longer be listed on the New York Stock Exchange.

Q.

What will I receive for my shares of PHH common stock if the merger is consummated?

A.

At the effective time of the merger, each share of PHH common stock issued and outstanding immediately prior to the effective time, other than shares owned by Ocwen or Merger Sub (excluding shares held by Ocwen and Merger Sub in mutual funds and the like or otherwise held in a fiduciary or agency capacity, that are beneficially owned by third parties), will be converted into the right to receive $11.00 per share in cash, without interest.

If you are a stockholder of record, you will not be entitled to receive the merger consideration until you have surrendered your stock certificates (or followed the procedures applicable to lost stock certificates) or transferred your uncertificated shares to the paying agent along with a duly executed letter of transmittal.

Table of Contents

Q. ***What will happen to my shares of common stock after completion of the merger?***

A. Following the consummation of the merger, your shares of our common stock will be canceled and will represent only the right to receive your portion of the merger consideration. At or promptly after the effective time, Ocwen will deposit with a paying agent selected by Ocwen (subject to the consent of PHH), which we refer to as the "***paying agent***," cash in an amount sufficient to pay the aggregate merger consideration payable to holders of our common stock in accordance with the merger agreement. As soon as reasonably practicable after the effective time, the paying agent will mail to each holder of shares of our common stock a letter of transmittal in customary form and instructions for use in effecting the surrender of such holder's certificated or uncertificated shares in exchange for payment of the merger consideration.

Q. ***Which stockholders may vote?***

A. Our board of directors has fixed the close of business on April 3, 2018 as the record date for determining the stockholders entitled to receive notice of the special meeting, and to vote their shares at the special meeting and any adjournment or postponement of the special meeting. Only stockholders of record at the close of business on the record date will be entitled to notice of, and to vote at, the special meeting and any adjournment or postponement of the special meeting. Each share of our common stock is entitled to one vote.

At the close of business on the record date, the Company had 32,557,494 shares of common stock issued and outstanding.

Q. ***What am I being asked to vote on?***

A. Our board of directors is asking the Company's stockholders of record at the close of business on April 3, 2018, the record date for the special meeting, to consider and vote upon: (1) a proposal to approve the merger on the terms and conditions of the merger agreement; (2) the advisory (non-binding) resolution concerning the compensation of our named executive officers based on or that otherwise relates to the merger and the merger agreement as disclosed pursuant to Item 402(t) of Regulation S-K in this proxy statement, (3) the adjournment or postponement of the special meeting to another date, time or place, if necessary or appropriate, for the purpose of soliciting additional proxies for the proposals to be acted upon at the special meeting if there are insufficient votes at the time of the special meeting or any adjournment thereof to approve one or more of the proposals, and (4) such other business as may properly come before the special meeting and any adjournment or postponement thereof. Our board of directors currently knows of no other business that will be presented for consideration at the special meeting. In the event any matters other than those referred to in the accompanying Notice of Meeting and this proxy statement should properly come before and be considered at the special meeting, it is intended that proxies in the form the Company provides to its stockholders will be voted thereon in accordance with the judgment of the person or persons voting such proxies.

Q. ***What are the board of directors' recommendations for how I should vote my shares?***

A. Our board of directors recommends that you vote your shares as follows:

Proposal 1: FOR the merger on the terms and conditions of the merger agreement;

Proposal 2: FOR the advisory (non-binding) resolution concerning the compensation of our named executive officers based on or that otherwise relates to the merger and the merger agreement; and

Proposal 3: FOR the adjournment or postponement of the special meeting to another date, time or place, if necessary or appropriate, for the purpose of soliciting additional proxies for the

Table of Contents

proposals to be acted upon at the special meeting if there are insufficient votes at the time of the special meeting or any adjournment thereof to approve one or more of the proposals.

Q. ***Why is the Company seeking a stockholder vote on the Adjournment Proposal?***

A. Adjourning the special meeting to a later date will give us additional time to solicit proxies to vote in favor of approval of the Merger Proposal and/or the Merger-Related Compensation Proposal if there are not sufficient votes in favor of any of these proposals. Consequently, we are seeking your approval of the Adjournment Proposal to ensure that, if necessary, we will have enough time to solicit the required votes for approval of the Merger Proposal and/or the Merger-Related Compensation Proposal.

Q. ***Who can attend the special meeting?***

A. Only stockholders of record as of the close of business on April 3, 2018, or their duly appointed proxies, may attend the special meeting. Stockholders will be asked to present valid picture identification, such as a driver's license or passport. Please note that, if you hold your shares in "street name" (that is, through a bank, broker or other nominee), you must bring either a copy of the vote instruction form provided by your bank, broker or other nominee or a copy of a brokerage statement reflecting your stock ownership as of the record date.

Cameras and video recording devices will not be permitted at the special meeting. A list of stockholders entitled to vote at the special meeting will be available for examination by any stockholder for any purpose germane to the special meeting beginning ten days prior to the special meeting during ordinary business hours at 3000 Leadenhall Road, Mt. Laurel, New Jersey 08054, our principal place of business, and ending on the date of the special meeting.

Q. ***Do I need an admission ticket to attend the special meeting?***

A. Yes. Attendance at the special meeting will be limited to stockholders of record as of the record date, their authorized representatives and our guests. Admission will be by admission ticket only. For registered stockholders, the top portion of the proxy card enclosed with the proxy statement will serve as an admission ticket. If you are a beneficial owner and hold your shares in "street name," or through an intermediary, such as a bank, broker or other nominee, you should request an admission ticket from your bank, broker or other nominee or send a request in writing to PHH Corporation, Attention: Investor Relations, 3000 Leadenhall Road, Mt. Laurel, New Jersey 08054, and include proof of ownership of our common stock, such as a bank or brokerage firm account statement or letter from the bank, broker or other nominee holding your stock confirming your beneficial ownership. Stockholders who do not obtain admission tickets in advance of the special meeting may obtain them on the date of the special meeting at the registration desk upon verifying their stock ownership as of the record date. In accordance with our security procedures, all persons attending the special meeting must present picture identification along with their admission ticket or proof of beneficial ownership in order to gain admission to the special meeting. Admission to the special meeting will be expedited if admission tickets are obtained in advance. Admission tickets may be issued to others at our discretion.

Q. ***How many votes must be present at the special meeting to constitute a quorum?***

A. Stockholders holding a majority of the issued and outstanding shares of our common stock entitled to vote as of the record date, April 3, 2018, must be present, in person or by proxy, to constitute a quorum at the special meeting. As of the record date, there were 32,557,494 shares of our common stock issued and outstanding. Shares represented by abstentions on any proposal to be

Table of Contents

acted upon by stockholders at the special meeting will be treated as present at the special meeting for purposes of determining whether a quorum is present.

Q.

How many votes can be cast by all stockholders?

A.

Up to 32,557,494 votes may be cast at the special meeting. Each stockholder is entitled to cast one vote for each share of common stock held by such stockholder as of the record date.

Q.

What vote is needed for each of the proposals to be adopted?

A.

Pursuant to our charter and as permitted by Maryland law, the approval of the Merger Proposal requires the affirmative vote of the holders of a majority of the total number of shares of our common stock outstanding and entitled to vote on the matter, notwithstanding the requirements of Section 3-105(e) of the MGCL otherwise requiring authorization by a greater proportion for that purpose.

Under Section 1.05 of our Amended and Restated Bylaws, the approval of the Merger-Related Compensation Proposal and the Adjournment Proposal each requires the affirmative vote of a majority of the votes cast on such proposal at a special meeting at which a quorum is present.

Q

What is a broker non-vote?

A.

Generally, a broker non-vote occurs when shares held by a bank, broker or other nominee for a beneficial owner are not voted with respect to a particular proposal because (i) the nominee has not received voting instructions from the beneficial owner and (ii) the nominee lacks discretionary voting power to vote such shares. Under the rules of the NYSE, a nominee does not have discretionary voting power with respect to "non- routine" matters.

"Non-routine" matters under the NYSE's rules include director elections, whether contested or uncontested, extraordinary transactions, such as the merger, and votes concerning executive compensation and certain corporate governance proposals. As a result, your bank, broker or other nominee may only vote your shares on "non-routine" matters if you have provided your bank, broker or other nominee with specific voting instructions.

Thus, if your shares are held in "street name" and you do not provide instructions as to how your shares are to be voted on "non-routine" matters, your bank, broker or other nominee will not be able to vote your shares on your behalf. For matters that are still considered "routine" under the NYSE's rules (e.g., ratification of auditors), your bank, broker or other nominee may continue to exercise discretionary voting authority and may vote your shares on your behalf for such routine matters even if you fail to provide your bank, broker or other nominee with specific voting instructions as to how you would like your shares voted on such routine matters. None of the proposals anticipated to be presented at the special meeting are expected to be "routine".

We urge you to provide instructions to your bank, broker or other nominee so that your votes may be present for purposes of establishing a quorum and counted for each proposal to be voted upon. You should vote your shares by following the instructions provided on the vote instruction form that you receive from your bank, broker or other nominee.

Q.

What should I do now? How do I vote?

A.

We encourage you to read this proxy statement, the annexes to this proxy statement, including the merger agreement, and the documents we include by reference and refer to in this proxy statement carefully and consider how the merger affects you. **Your vote is very important regardless of the number of shares that you hold.** You can vote in person or by valid proxy received by telephone, via the Internet or by mail.

Table of Contents

We urge you to vote by doing one of the following:

Vote by Telephone:
You can vote your shares by calling the toll-free number indicated on your proxy card using a touch-tone telephone 24 hours a day. Easy-to-follow voice prompts enable you to vote your shares and confirm that your voting instructions have been properly recorded. If you are a beneficial owner, or you hold your shares in "street name," please check your vote instruction form or contact your bank, broker or other nominee to determine whether you will be able to vote by telephone.

Vote by Internet:
You can also vote via the Internet by following the instructions on your proxy card. The website address for Internet voting is indicated on your proxy card. Internet voting is also available 24 hours per day. If you are a beneficial owner, or you hold your shares in "street name," please check your vote instruction form or contact your bank, broker or other nominee to determine whether you will be able to vote via the Internet.

Vote by Mail:
If you choose to vote by mail, complete, sign, date and return your proxy card in the postage-paid envelope provided. Please promptly mail your proxy card to ensure that it is received on or before 11:59 p.m. EDT on June 10, 2018.

The deadline for voting by telephone or electronically through the Internet is 11:59 p.m. EDT on June 10, 2018.

Q.

Can I change my vote?

A.

Yes. A proxy may be revoked at any time prior to the voting at the special meeting by submitting a later dated proxy (including a proxy authorization submitted by telephone or electronically through the Internet prior to the deadline for voting by telephone or the Internet), by giving timely written notice of such revocation to our Corporate Secretary in advance of the special meeting or by attending the special meeting and voting in person. If you have shares held by a bank, broker or other nominee or in "street name," you may change your vote by submitting a later dated voting instruction form to your bank, broker or other nominee, or if you obtained a legal proxy from your bank, broker or other nominee giving you the right to vote your shares, by attending the special meeting and voting in person.

Q.

Could other matters be decided at the special meeting?

A.

Our board of directors does not intend to bring any matter before the special meeting other than those described in this proxy statement. If any other matters properly come before the special meeting, the persons named in the enclosed proxy card, or their duly appointed substitutes acting at the special meeting, will be authorized to vote or otherwise act in respect of any such matters in their discretion.

Q.

What if I vote for some but not all of the proposals?

A.

Shares of our common stock represented by proxies received by us (whether received through the return of the enclosed proxy card or received via telephone or the Internet) where the stockholder has provided voting instructions with respect to the proposals described in this proxy statement, including the Merger Proposal, the Merger-Related Compensation Proposal and the Adjournment Proposal, will be voted in accordance with the voting instructions so made. If your proxy card is properly executed and returned but does *not* contain voting instructions as to one or more of the proposals to be voted upon at the special meeting, or if you give your proxy by telephone or via

Table of Contents

the Internet *without* indicating how you want to vote on each of the proposals to be voted upon at the special meeting, then your shares will be voted for such proposals as follows:

Proposal 1: ***FOR*** the merger on the terms and conditions of the merger agreement;

Proposal 2: ***FOR*** the advisory (non-binding) resolution concerning the compensation of our named executive officers related to the merger and the merger agreement; and

Proposal 3: ***FOR*** the adjournment or postponement of the special meeting to another date, time or place if necessary or appropriate, for the purpose of soliciting additional proxies for the proposals to be acted upon at the special meeting if there are insufficient votes at the time of the special meeting or any adjournment thereof to approve one or more of the proposals.

If your shares are held in street name and you do not properly instruct your bank, broker or other nominee how to vote your shares, your bank, broker or other nominee may either use its discretion to vote your shares on matters deemed "routine" by the NYSE or may not vote your shares. For any matters deemed "non-routine" by the NYSE, your bank, broker or other nominee would not be able to vote your shares on such matters. We encourage you to provide instructions to your bank, broker or other nominee by carefully following the instructions provided to ensure that your shares are voted at the special meeting in accordance with your desires.

Q.

Who will pay for the cost of this proxy solicitation?

A.

We will pay the cost of soliciting proxies on behalf of our board of directors. Our directors, officers and employees may solicit proxies on our behalf without compensation in person or by telephone, facsimile or electronically through the Internet, as described above. We have retained MacKenzie Partners, Inc. to solicit proxies in connection with the special meeting. We have also engaged Broadridge Financial Solutions, Inc. to assist us in the distribution of proxies. We will reimburse brokerage firms and other custodians, nominees and fiduciaries for their expenses incurred in sending our proxy materials to beneficial owners of our common stock as of the record date.

Q.

Who will count and certify the vote?

A.

Representatives of Broadridge Financial Solutions, Inc. will count the votes and certify the voting results. The voting results are expected to be published in a Current Report on Form 8-K filed with the SEC within four business days following the conclusion of the special meeting.

Q.

How can I access the proxy materials electronically?

A.

Copies of the Notice of Special Meeting, proxy statement and 2017 Annual Report, as well as other materials filed by us with the SEC, are available without charge to stockholders on our corporate website at www.phh.com or upon written request to PHH Corporation, Attention: Investor Relations, 3000 Leadenhall Road, Mt. Laurel, New Jersey 08054. You can elect to receive any future annual reports, proxy statements and other proxy materials electronically by marking the appropriate box on your proxy card or vote instruction form or by following the instructions provided if you vote by telephone or via the Internet.

Copies of our Corporate Governance Guidelines, Independence Standards for Directors, Code of Business Ethics & Conduct, Code of Ethics for Chief Executive Officer and Senior Financial Officers, and the charters of each standing committee of our Board, including our Audit Committee, Human Capital and Compensation Committee and Corporate Governance Committee, are also available without charge to stockholders on our corporate website at www.phh.com under the heading "Investors Corporate Governance" or upon written request to PHH Corporation, Attention: Investor Relations, 3000 Leadenhall Road, Mt. Laurel, New Jersey 08054.

Table of Contents

Q.

Should I send in my stock certificates now?

A.

No. As soon as reasonably practicable after the effective time, the paying agent will mail to each holder of shares of our common stock a letter of transmittal in customary form and instructions for use in effecting the surrender of such holder's certificated or uncertificated shares in exchange for payment of the merger consideration. If you are a stockholder of record, you will not be entitled to receive the merger consideration until you have surrendered your stock certificates (or followed the procedures applicable to lost stock certificates) or transferred your uncertificated shares to the paying agent along with a duly executed letter of transmittal. **PLEASE DO NOT SEND ANY STOCK CERTIFICATES WITH YOUR PROXY CARD.**

Q:

I do not know where my stock certificate is. How will I get the merger consideration for my shares?

A:

If the merger is consummated, the transmittal materials you will receive after the consummation of the merger will include the procedures that you must follow if you cannot locate your stock certificate. This will include an affidavit that you will need to sign attesting to the loss of your stock certificate. If required by Ocwen or the paying agent, you may also be required to post a bond as indemnity against any potential loss with respect to such certificate.

Q.

Will I be subject to U.S. federal income tax upon the exchange of my common stock for cash pursuant to the merger?

A.

The exchange of our common stock for cash pursuant to the merger generally will require a "***U.S. Holder***" (as defined below under "*Proposal 1 The Approval of the Merger Proposal Certain Federal Income Tax Consequences of the Merger U.S. Holders*" beginning on page 52 of this proxy statement) to recognize a gain or loss for U.S. federal income tax purposes in an amount equal to the difference between the amount of cash received by such U.S. Holder pursuant to the merger and such U.S. Holder's adjusted tax basis in the shares of our common stock surrendered pursuant to the Merger. A "***Non-U.S. Holder***" (as defined below under "*Proposal 1 The Approval of the Merger Proposal Certain Federal Income Tax Consequences of the Merger U.S. Holders*" beginning on page 52 of this proxy statement) generally will not be subject to U.S. federal income tax with respect to the exchange of our common stock for cash in the merger unless such Non-U.S. Holder has certain connections to the United States. We recommend that you consult your own tax advisor to determine the U.S. federal income tax consequences relating to the merger in light of your own particular circumstances and any consequences arising under the laws of any state, local or foreign taxing jurisdiction or other tax laws. A more complete description of the U.S. federal income tax consequences of the merger is provided under "*Proposal 1 The Approval of the Merger Proposal Certain Federal Income Tax Consequences of the Merger U.S. Holders*" beginning on page 52 of this proxy statement.

Q.

What happens if I sell my shares before the special meeting?

A.

The record date of the special meeting is earlier than the date of the special meeting and the date that the merger is expected to be consummated. If you transfer your shares of common stock after the record date but before the special meeting, you will retain your right to vote at the special meeting, but will have transferred the right to receive $11.00 per share in cash to be received by our stockholders in the merger. In order to receive the $11.00 per share, you must hold your shares through completion of the merger. See "*The Merger Agreement Exchange and Payment Procedures*" beginning on page 65 for details about the payment of the merger consideration.

Table of Contents

Q. ***What rights do I have if I oppose the merger?***

A. If you are a holder of our common stock of record, you can vote against the merger by indicating a vote against the proposal by telephone, electronically via the Internet, or by completing and returning the enclosed proxy card or by voting against the merger in person at the special meeting. If you hold your shares in "street name," you can vote against the merger in accordance with the voting instructions provided to you by your bank, broker or other recordholder of your shares. You are not, however, entitled to dissenting stockholder's appraisal rights, rights of objecting stockholders or other similar rights in connection with the merger or any of the transactions contemplated by the merger agreement under our charter and because our shares of common stock are listed on the NYSE. See " No Dissenters' Rights or Rights of Objecting Stockholders" on page 27.

Q. ***Do any directors or executive officers have interests in the Merger that may differ from those of PHH's stockholders generally?***

A. In considering the recommendation of our board of directors that you vote to approve the Merger Proposal, you should be aware that aside from their interests as stockholders of PHH, certain of our directors and executive officers may have interests in the merger that are different from, or in addition to, the interests of the holders of our common stock. The members of our board of directors were aware of and considered these interests, among other matters, in evaluating and negotiating the merger agreement and the merger, and in recommending to our stockholders that the Merger Proposal be approved by our stockholders. For a description of the interests of our directors and executive officers in the merger, see "*Proposal 1 The Approval of the Merger Proposal Interests of Our Directors and Executive Officers*" beginning on page 54 of this proxy statement.

Q. ***When is the merger expected to be consummated?***

A. We are working toward consummating the merger as quickly as possible. We expect the merger to close in the third or fourth quarter of 2018; however, the exact timing of the consummation of the merger cannot be predicted with certainty. In order to consummate the merger, we must obtain stockholder approval and the other closing conditions under the merger agreement (including all required notices to, and approvals of, regulatory agencies and government sponsored entities) must be satisfied or waived. The closing date of the merger will be on the third business day following the first date on which the conditions to closing (described in the section of this proxy statement entitled " *The Merger Agreement Conditions to the Merger*"), other than those conditions that by their nature are to be satisfied only at the closing (but subject to the fulfillment or waiver of those conditions at the closing), have been satisfied or waived or such other date as the parties mutually agree. The merger will become effective at such time as the articles of merger are filed with the State Department of Assessments and Taxation of Maryland, or at such later time as Ocwen and PHH will agree and specify in the articles of merger.

Q. ***What effects will the merger have on PHH?***

A. As a result of the merger, we will cease to be an independent, publicly-traded company and will be wholly owned by Ocwen. You will no longer have any interest in our future earnings or growth. In addition, shares of our common stock will no longer be listed on any stock exchange or quotation system, including the NYSE.

Table of Contents

Q. ***What happens if the merger is not consummated?***

A. If the Merger Proposal is not approved by our stockholders or if the merger is not consummated for any other reason, you will not receive any payment for any shares of our common stock that you hold of record or beneficially. Instead, PHH will remain a public company, our common stock will continue to be listed and traded on the NYSE and registered under the Exchange Act and we will continue to file periodic reports with the SEC.

Q: ***What should I do if I receive more than one set of voting materials?***

A: You may receive more than one set of voting materials, including multiple copies of this proxy statement and multiple proxy cards or voting instruction cards. For example, if your shares of common stock are held in more than one brokerage account or are registered differently, you will receive more than one proxy card or voting instruction card. Please complete, date, sign and return (or vote via the Internet or telephone with respect to) each proxy card and voting instruction card that you receive to ensure that all of your shares of common stock are voted.

Q: ***What is householding and how does it affect me?***

A: The SEC permits companies to send a single set of proxy materials to any household at which two or more stockholders reside, unless contrary instructions have been received, but only if the applicable company provides advance notice and follows certain procedures. In such cases, each stockholder continues to receive a separate notice of the special meeting and proxy card. Certain brokerage firms may have instituted householding for beneficial owners of shares of our common stock held through brokerage firms. If your family has multiple accounts holding shares of our common stock, you may have already received householding notification from your broker. Please contact your bank, broker or other nominee directly if you have any questions or require additional copies of this proxy statement. Your bank, broker or other nominee will arrange for delivery of a separate copy of this proxy statement promptly upon your written or oral request. You may decide at any time to revoke your decision to household, and thereby receive multiple copies.

Q. ***Who can help answer my questions?***

A. If you have any questions about the special meeting, the Merger Proposal, the Merger-Related Compensation Proposal or the Adjournment Proposal, how to submit your proxy, or if you need additional copies of this proxy statement or the enclosed proxy card or voting instructions, you should contact our proxy solicitor:

1407 Broadway,
27th Floor
New York, New York 10018
proxy@mackenziepartners.com
Call Collect: (212) 929-5500
or
Toll-Free (800) 322-2885

Table of Contents

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

The information in this proxy statement and the documents to which we refer you in this proxy statement, as well as information included in oral statements or other written statements made or to be made by us or on our behalf, include forward-looking statements within the meaning of the Federal Private Securities Litigation Reform Act of 1995. We intend that such forward-looking statements be subject to the safe harbors created by Section 27A of the Securities Act of 1933, as amended, or the "***Securities Act***," and Section 21E of the Exchange Act. These statements include statements regarding the intent, belief or current expectations of members of our management team, as well as the assumptions on which such statements are based, and are generally identified by the use of words such as "may," "will," "seeks," "anticipates," "believes," "estimates," "expects," "plans," "intends," "should," "could," "continues," "pro forma" or similar expressions. Among many other examples, the following statements are examples of the forward-looking statements in this document:

- all statements regarding the closing and the timing for any of the closing of the transactions contemplated by the merger agreement, including the merger;
- all statements regarding financial projections for the Company;
- all statements regarding our future business, future business prospects, future revenues or cash flows, future working capital, the amount of cash reserves to be established in the future, future liquidity, future capital needs and future income; and
- all statements regarding the tax consequences of the merger.

You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date they are made. Such statements are subject to known and unknown risks and uncertainties and other unpredictable factors, many of which are beyond our control. We make no representation or warranty (express or implied) about the accuracy of any such forward-looking statements. These statements are based on a number of assumptions involving the judgment of management. These risks and uncertainties include, but are not limited to, the risks detailed in our filings with the SEC, including in our most recent Annual Report on Form 10-K and Quarterly Reports on Form 10-Q, factors and matters described or incorporated by reference in this proxy statement, and you should consider these important cautionary factors as you read this document.

Our actual results, performance or achievements, including consummation of the merger, may differ materially from the anticipated results, performance or achievements that are expressed or implied by our forward-looking statements. Among the factors that could cause such a difference are:

- the inability to complete the merger due to the failure to obtain stockholder approval of the Merger Proposal, or the failure to satisfy other conditions to consummation of the merger, including the condition relating to the receipt of any required regulatory consent, approval or other authorization, or our maintenance of certain threshold levels of net worth or available cash;
- the failure of the merger to close for any other reason;
- the occurrence of any event, change or circumstance that could give rise to the termination of the merger agreement, including in circumstances requiring us to pay Ocwen a termination fee of $12,600,000;
- the nature, cost and outcome of any legal proceedings that have been or may be initiated against PHH or any of its subsidiaries or any of the other parties to the merger agreement;

the failure of Ocwen or Merger Sub to be ready, willing and able to consummate the transactions contemplated by the merger agreement, including the merger;

Table of Contents

the risk that our stock price may decline significantly if the Merger is not consummated;

the effect of the announcement or pendency of the merger on our business relationships (including, without limitation, our customers, vendors and financing sources), operating results and business generally;

the amount of the costs, fees, expenses related to the merger and the merger agreement;

the risks of disruption to our current plans and operations or our ability to retain or recruit key employees during the time that the merger remains pending;

the effects of market volatility or macroeconomic changes and financial market regulations on the availability and cost of our financing arrangements;

the effects of changes in, or our failure to comply with, laws and regulations; and

the inability to retain key employees.

In addition, for a more detailed discussion of these risks and uncertainties and other factors, please refer to our annual report on Form 10-K filed with the SEC on March 1, 2018 and our quarterly reports on Form 10-Q filed with the SEC from time to time. Many of the factors that will determine our future results are beyond our ability to control or predict. In light of the significant uncertainties inherent in the forward- looking statements contained herein, readers should not place undue reliance on forward-looking statements, which reflect management's views only as of the date hereof. We cannot guarantee any future results, levels of activity, performance or achievements. The statements made in this proxy statement represent our views as of the date of this proxy statement, and it should not be assumed that the statements made herein remain accurate as of any future date. Moreover, we assume no obligation to update forward-looking statements or update the reasons that actual results could differ materially from those anticipated in forward-looking statements, except as required by law.

Table of Contents

THE SPECIAL MEETING

Date, Time, Place and Purpose of the Special Meeting

This proxy statement is being furnished to our stockholders as part of the solicitation of proxies by our board of directors for use at the special meeting to be held on June 11, 2018, starting at 10:00 a.m. local time, at the Company's offices located at 3000 Leadenhall Road, Mt. Laurel, New Jersey 08054 for the following purposes: to consider and vote upon: (1) the Merger Proposal, (2) the Merger-Related Compensation Proposal, (3) if necessary or appropriate, the Adjournment Proposal; and (4) such other business as may properly come before the special meeting and any adjournment or postponement thereof.

A copy of the merger agreement is attached to this proxy statement at *Annex A*.

Record Date

Our board of directors has specified the close of business on April 3, 2018 as the record date for purpose of determining our stockholders who are entitled to receive notice of and to vote at the special meeting. Only our stockholders of record on the close of business on the record date are entitled to notice of and to vote at the special meeting. As of the record date, there were 32,557,494 shares of our common stock issued and outstanding and entitled to notice of and to vote at the special meeting. Each share of our common stock entitles its holder to one vote on all matters properly coming before the special meeting.

As of April 3, 2018, the record date for the special meeting, our current directors and current executive officers held and are entitled to vote, in the aggregate, 319,054 shares of our common stock, representing less than 1.0% of our issued and outstanding common stock.

Quorum; Vote Required

Under Section 1.05 of our Amended and Restated Bylaws, a quorum consisting of a majority of all the votes entitled to be cast at the special meeting must be represented in person or by proxy for the transaction of business at the special meeting. Therefore, holders of at least a majority of our common stock issued and outstanding as of the record date and entitled to vote at the special meeting must be present in person or by proxy at the special meeting to constitute a quorum to conduct business at the special meeting. In the event that a quorum is not present at the special meeting, we expect that we will adjourn or postpone the special meeting to solicit additional proxies.

Pursuant to Article EIGHTH, paragraph (a)(4) of our Articles of Amendment and Restatement and as permitted by Section 2-104(b)(5) of the Maryland General Corporation Law, or the "***MGCL***," the approval of the Merger Proposal requires the affirmative vote of the holders of a majority of the total number of shares of our common stock outstanding and entitled to vote on the matter, notwithstanding the requirements of Section 3-105(e) of the MGCL otherwise requiring authorization by a greater proportion for that purpose. Under Section 1.05 of our Amended and Restated Bylaws, the approval of the Merger-Related Compensation Proposal and the Adjournment Proposal requires the affirmative vote of a majority of the votes cast on such proposal at a special meeting at which a quorum is present.

Abstentions and Broker Non-Votes

Abstentions. You may vote FOR, AGAINST or ABSTAIN for each of the Merger Proposal, the Merger-Related Compensation Proposal and the Adjournment Proposal. For the Merger Proposal, the Merger-Related Compensation Proposal and the Adjournment Proposal, abstentions, if any, will be taken into account for the purpose of determining whether a quorum is present at the special meeting. The Merger Proposal must be approved by the affirmative vote of the holders of at least a majority of

Table of Contents

the shares of our common stock outstanding on the record date and entitled to vote at the special meeting. **Accordingly, abstentions will be counted as votes cast or shares voting on the Merger Proposal, as applicable, and will have the same effect as a vote "AGAINST" in determining the outcome of the vote on the Merger Proposal.** The Merger-Related Compensation Proposal and the Adjournment Proposal each require the approval of the affirmative vote of a majority of the votes cast on such proposal at a special meeting at which a quorum is present. Accordingly, for the Merger-Related Compensation Proposal and the Adjournment Proposal, abstentions will not be counted as votes cast on these proposals and will have no effect on the outcome of the vote for these proposals.

Broker Non-Votes. Under the rules of the NYSE, brokers who hold shares in street name for customers have the authority to vote on "routine" proposals when they have not received instructions from beneficial owners. Brokers, however, are precluded from exercising their voting discretion with respect to approving non-routine matters such as the approval of the Merger Proposal, the Merger-Related Compensation Proposal and the Adjournment Proposal. As a result, absent specific instructions from the beneficial owner of such shares, brokers cannot vote those shares, which are referred to generally as "***broker non-votes***." T**hese "broker non-votes" will be counted for purposes of determining whether a quorum is present at the special meeting, and will be counted as votes cast or shares voting on the Merger Proposal, as applicable, and will have the same effect as a vote "AGAINST" in determining the outcome of the vote on the Merger Proposal, since the Merger Proposal must be approved by the affirmative vote of the holders of at least a majority of the shares of our common stock outstanding on the record date and entitled to vote at the special meeting**. With respect to the Merger-Related Compensation Proposal and the Adjournment Proposal, however, broker non-votes will not be counted as votes cast on these proposals and will have no effect on the outcome of the vote for these proposals, since each proposal requires the approval of the affirmative vote of a majority of the votes cast on such proposal at a special meeting at which a quorum is present.

Proxies and Revocation

Any stockholder of record entitled to vote at the special meeting may submit a proxy by telephone, via the Internet, by returning the enclosed proxy card by mail, or by voting in person by appearing at the special meeting. If you submit a proxy by telephone or via the Internet, or by returning a signed proxy card by mail, your shares will be voted at the special meeting as you indicate. If you submit a proxy by telephone or via the Internet, or sign and return your proxy card by mail, without indicating your vote, your shares will be voted "*FOR*" the Merger Proposal, "*FOR*" the Merger-Related Compensation Proposal, and, if necessary or appropriate, "*FOR*" the Adjournment Proposal. The persons named in the accompanying proxy card will also have discretionary authority to vote on any adjournment or postponement of the special meeting.

If your shares of common stock are held in street name, you will receive instructions from your broker, bank or other nominee that you must follow in order to have your shares voted. If your shares of our common stock are held in "street name" by your bank, broker or other nominees, you should instruct your bank, broker or other nominee on how to vote such shares of common stock using the instructions provided by your broker. **If you do not vote or do not instruct your broker, bank or other nominee how to vote, it will have the same effect as voting "AGAINST" the Merger Proposal.** With respect to the Merger-Related Compensation Proposal and the Adjournment Proposal, however, if you do not vote or do not instruct your broker, bank or other nominee how to vote your shares of common stock, your shares will not be counted as votes cast and will have no effect on the outcome of the votes for these proposals.

Table of Contents

Proxies received at any time before the special meeting, and not revoked or superseded before being voted, will be voted at the special meeting. You have the right to change or revoke your proxy at any time before it is voted at the special meeting in the following ways:

- if you hold your shares in your name as a stockholder of record, by notifying, in writing, our Corporate Secretary, Ryan Melcher, at 3000 Leadenhall Road, Mt. Laurel, New Jersey 08054;
- by attending the special meeting and voting by paper ballot in person (your attendance at the special meeting will not, by itself, revoke your proxy; you must vote in person at the special meeting);
- by submitting a later-dated proxy card;
- if you voted by telephone or via the Internet, by voting again by telephone or via the Internet; or
- if you have instructed a broker, bank or other nominee to vote your shares, by following the directions received from your broker, bank or other nominee to change those instructions.

Other Business

We do not expect that any matter other than the Merger Proposal, the Merger-Related Compensation Proposal or, if necessary or appropriate, the Adjournment Proposal will be brought before the special meeting. If, however, any other matter properly comes before the special meeting, or in the event of any adjournment or postponement of the special meeting, proxy holders will vote thereon in accordance with their discretion.

Adjournments and Postponements

Although it is not currently expected, the special meeting may be adjourned or postponed for the purpose of soliciting additional proxies. Whether or not a quorum is present, a special meeting of stockholders may be adjourned without notice by announcement made at the special meeting, of the time, date and place of the adjourned meeting. Any proxies submitted by telephone or electronically by the Internet, or signed proxies received by us, in whom no voting instructions are provided on such matter will be voted "*FOR*" the Adjournment Proposal to approve any adjournment or postponement of the special meeting for the purpose of soliciting additional proxies.

No Dissenters' Rights or Rights of Objecting Stockholders

Under our charter and the MGCL, holders of our common stock are not entitled to dissenting stockholders' appraisal rights, rights of objecting stockholders or other similar rights in connection with the merger agreement or the transactions contemplated thereby, including the merger. Subject to the limited circumstances set forth in Section 3-202(d) of the MGCL, the MGCL does not provide for appraisal rights or other similar rights to stockholders of a corporation in connection with a merger of a corporation if the shares of the corporation are listed on the NYSE on the record date for determining stockholders entitled to vote on the transaction. The circumstances of the merger do not satisfy all of the conditions set forth in Section 3-202(d) of the MGCL that would trigger such appraisal rights or similar rights. See "*Proposal 1 The Approval of the Merger Proposal No Dissenter's Rights or Rights of Objecting Stockholders*" beginning on page 53.

Solicitation of Proxies

This proxy solicitation is being made and paid for by us on behalf of our board of directors. We have retained MacKenzie Partners, Inc., a proxy solicitation firm to solicit proxies in connection with the special meeting at a cost of approximately $15,000 plus reimbursement of out-of-pocket expenses.

Table of Contents

Proxies may be solicited by mail, personal interview, e-mail, telephone, facsimile or via the Internet by Mackenzie Partners, Inc. Our directors, officers and employees may solicit proxies by personal interview, mail, e-mail, telephone, facsimile or other means of communication. These persons will not be paid additional remuneration for their efforts. Our directors and executive officers have interests in the merger that are different from, or in addition to, the interests of our stockholders generally. See " *Interests of Our Directors and Executive Officers*" for additional information about such different interests of our directors and executive officers. In addition, we have retained Broadridge Financial Solutions, Inc. to assist in the distribution of proxies for a nominal fee, reimbursement of reasonable out-of-pocket expenses and indemnification against certain losses, costs and expenses.

We will also request brokers and other fiduciaries to forward proxy solicitation material to the beneficial owners of shares of our common stock that the brokers and fiduciaries hold of record. Upon request, we will reimburse them for their reasonable out-of-pocket expenses. In addition, we will indemnify MacKenzie Partners, Inc. and Broadridge Financial Solutions, Inc. against any losses arising out of that firm's proxy solicitation services and proxy distribution services, respectively, on our behalf.

Questions and Additional Information

If you have more questions about the merger, the merger agreement, the advisory (nonbinding) vote on executive compensation based on or that otherwise relates to the merger and the merger agreement, the proposal to adjourn or postpone the special meeting or how to submit your proxy, or if you need additional copies of this proxy statement or the enclosed proxy card or voting instructions, please call our proxy solicitor, MacKenzie Partners, Inc. toll-free at +1-800-322-2885.

Availability of Documents

Any documents referenced in this proxy statement will be made available for inspection and copying at our principal executive offices during its regular business hours by any interested holder of our common stock.

Our board of directors unanimously recommends that the Company's stockholders vote "*FOR*" the Merger Proposal, "*FOR*" the Merger-Related Compensation Proposal, and, if necessary or appropriate, "*FOR*" the Adjournment Proposal.

Table of Contents

PROPOSAL 1 THE APPROVAL OF THE MERGER PROPOSAL

The following discussion of the merger does not purport to be complete and is qualified in its entirety by reference to the merger agreement, which is attached to this proxy statement as Annex A and incorporated by reference into this proxy statement. You should read the entire merger agreement carefully as it is the legal document that governs the merger.

The Merger Proposal

We are asking you to consider and vote upon a proposal, which we refer to as the "***Merger Proposal***," to approve the merger of POMS Corp, or "***Merger Sub***," a wholly-owned subsidiary of Ocwen Financial Corporation, or "***Ocwen***," with and into PHH with PHH surviving the merger and becoming a wholly-owned subsidiary of Ocwen in an all cash transaction valued at approximately $360 million, or $11.00 per share on a fully-diluted basis, which we refer to as the "***merger***," on the terms and conditions of that certain Agreement and Plan of Merger dated February 27, 2018, which we refer to at the "***merger agreement***," by and among Ocwen, Merger Sub and PHH. A copy of the merger agreement is attached as *Annex A* to this proxy statement.

Vote Required

The affirmative vote of the holders of a majority of the outstanding shares of our common stock is required for the approval of the Merger Proposal. This means that, of the shares of our common stock outstanding and entitled to vote on the Merger Proposal (regardless of whether the holders of such shares are present in person or by proxy at the special meeting), a majority must be voted in favor of the Merger Proposal in order for the merger on the terms and conditions of the merger agreement to be approved. As a result, abstentions and broker non-votes will have the effect of a vote ***against*** the Merger Proposal, although they will be considered present for the purposes of determining the presence of a quorum.

The members of our board of directors, who beneficially owned an aggregate of less than 1.0% of the outstanding shares of common stock as of April 3, 2018, the record date for the special meeting, have indicated that they will vote in favor of the Merger Proposal.

The Parties to the Merger

PHH Corporation

PHH Corporation was incorporated in 1953 as a Maryland corporation. For periods between April 30, 1997 and February 1, 2005, we were a wholly owned subsidiary of Cendant Corporation (now known as Avis Budget Group, Inc.) and its predecessors and provided mortgage banking services, facilitated employee relocations and provided vehicle fleet management and fuel card services. On February 1, 2005, we began operating as an independent, publicly traded company pursuant to our spin-off from Cendant. On July 1, 2014, we sold our Fleet Management Services business and began operating as a stand-alone mortgage business.

Our mortgage business has provided outsourced mortgage banking services to a variety of clients, including financial institutions and real estate brokers throughout the U.S. and focused on originating, selling, servicing and subservicing residential mortgage loans through our wholly-owned subsidiary, PHH Mortgage Corporation and its subsidiaries, or collectively, "***PHH Mortgage***". In March 2016, we announced that management and our board of directors were undertaking a comprehensive review of all strategic options for our company.

As a result of the strategic review process, in November 2016, we announced our intentions to exit our Private Label Services origination business, or "***PLS business***". We are substantially complete with the wind-down of the PLS business, subject to certain transition support requirements. During 2017, we

Table of Contents

completed the delivery of $661 million of Mortgage servicing rights, or "***MSRs***," and advances under our sale agreements with New Residential Mortgage, LLC, or "***New Residential***," and Lakeview Loan Servicing LLC, or "***Lakeview***," which are collectively referred to as the "***MSR Sale***," and pursuant to ordinary course sales to other third parties. As part of these sales, we increased our subservicing and portfolio retention units through agreements with New Residential. Between August 2017 and December 2017, we completed the sale of certain assets of PHH Home Loans, LLC, or "***PHH Home Loans***," to Guaranteed Rate Affinity, LLC, or "***GRA***," a new joint venture established by Guaranteed Rate, Inc. and Realogy Holdings Corp., or "***Realogy***". We purchased Realogy's membership interests at book value on March 19, 2018. As of March 31, 2018, we have substantially completed the liquidation of the residual assets of PHH Home Loans and the results of our Real Estate channel will be presented as discontinued operations for our quarter ended March 31, 2018. These strategic actions to date allowed us to progress towards achieving a new business model of operating as a smaller, less capital-intensive business focused on subservicing and portfolio retention services.

For more information about us, please visit our website at www.phh.com. Our website address is provided as an inactive textual reference only. The information provided on our website is not part of this proxy statement, and therefore is not incorporated by reference. Our common stock is publicly traded on the NYSE under the symbol "PHH." Our executive offices are located at 3000 Leadenhall Road, Mt. Laurel, New Jersey 08054 and our telephone number is (856) 917-1744.

Ocwen Financial Corporation

Ocwen Financial Corporation is a Florida corporation organized in February 1988 and is a financial services holding company which, through its subsidiaries, services and originates loans. Ocwen is headquartered in West Palm Beach, Florida with offices located throughout the United States (U.S.) and in the United States Virgin Islands (USVI) and with operations in India and the Philippines. With its predecessors, Ocwen has been servicing residential mortgage loans since 1988. Ocwen has been originating forward mortgage loans since 2012 and reverse mortgage loans since 2013. In 2015, Ocwen began originating short-term loans to independent used car dealers but exited that business in early 2018 to focus on its core businesses of servicing and lending.

Additional information about Ocwen is available on its website at website http://www.ocwen.com. The website address is provided as an inactive textual reference only. The information contained on this website is not incorporated into, and does not form a part of, this proxy statement. The common stock of Ocwen is traded under the symbol "OCN" on the New York Stock Exchange (NYSE). Ocwen's executive offices are located at 1661 Worthington Road, Suite 100, West Palm Beach, Florida 33409, and its telephone number is (561) 682-8000.

POMS Corp

POMS Corp, a Maryland corporation is currently a wholly-owned subsidiary of Ocwen that was formed exclusively for the purpose of executing the merger agreement and effecting the transactions contemplated thereby, including the merger. Merger Sub has not carried on any activities to date other than those incident to its formation and the negotiation and execution of the merger agreement and the completion of the transactions contemplated by the merger agreement. Merger Sub's executive offices are located at 1661 Worthington Road, Suite 100, West Palm Beach, Florida 33409, and its telephone number is (561) 682-8000.

Background of the Merger

As part of their ongoing evaluation of the Company's business, our board of directors and senior management from time to time consider potential strategic alternatives to the continued pursuit of the Company's business plan as an independent company.

Table of Contents

Following the collapse of the subprime lending market and the decline in home values in 2007 and 2008, and coupled with the related global recession, disruption in the capital and secondary mortgage markets, reduced liquidity and investor demand for mortgage loans and mortgage-backed securities, and severe financial challenges of the government sponsored mortgage finance entities, the U.S. federal government became increasingly involved in the mortgage and financial services industries. In the years that followed, the federal government implemented and imposed numerous regulations, licensing requirements and increased governmental oversight. This wave of regulation included the Dodd-Frank Wall Street Reform and Consumer Protection Act enacted in 2010, under which the newly created Consumer Financial Protection Bureau (which we refer to as the "***CFPB***") was charged with, among other things, administering new regulations for the mortgage industry. State governments also implemented additional regulations, licensing requirements and governmental oversight programs, and refined their interpretation and application of existing regulations and their enforcement practices. These changes in the aggregate led to a significant increase in the cost and complexity of originating and servicing residential mortgages across the industry. As the economy recovered from the recession, record-low interest rates and several government led incentives boosted the mortgage industry during the refinancing wave from 2010 through 2012. Beginning in 2013 and into 2015, the Company witnessed housing price rebounds in parts of the U.S. and increases in interest rates on longer-term government securities and in yield requirements for mortgage loans and mortgage-backed securities. In the ensuing years following the refinancing boom, mortgage origination volumes would decrease significantly.

In light of these market conditions and in order to maximize stockholder value, our board of directors and senior management, with the assistance of the Company's financial advisors, conducted a strategic review process in the first half of 2014 in which more than 50 potentially interested parties (including Ocwen) were contacted. As a result of this process, the Company sold its fleet business to Element Financial Corporation in July 2014 for approximately $1.4 billion. The Company did not receive any actionable proposals to acquire either the Company in its entirety or the mortgage business through this process.

Through the second half of 2014 and into 2016, the Company returned $300 million to stockholders, reduced its unsecured debt by $680 million and pursued opportunities to improve the profitability of the mortgage business. However, during this time, the Company's operating environment became increasingly challenging due to the significantly enhanced regulation and oversight unique to the PLS business model. While the Company is not a bank, the PLS business subjects the Company to both direct and indirect banking supervision, and each PLS client requires a unique regulatory compliance model. The Company was confronting limited prospects for moderation in client and regulatory oversight, increased client demand for customization, and a shrinking market as clients in-sourced originations to gain greater control and to satisfy their own regulatory and oversight requirements.

In light of these challenges, on March 9, 2016, the Company publicly announced that our board of directors was undertaking a comprehensive review of all strategic options. As part of this process, in accordance with the directives of our board of directors, the Company's financial advisors contacted 57 parties, comprised of 34 industry participants, 17 financial sponsors and six other potential buyers. 38 of these parties (including Ocwen) executed confidentiality agreements and received confidential information of the Company. The confidentiality agreements contained customary standstill provisions that would fall away in whole or in part upon the Company's announcement of its entry into a change of control transaction or a transaction for the sale of all or substantially all of its assets, and in any event the standstill provisions contained an exception that allowed the bidders to make a confidential proposal to our board of directors at any time (or, in a few cases, to make confidential requests to our board of directors to amend or waive any provision in the confidentiality agreement). While the Company received four preliminary indications of interest to acquire the whole company, all of those proposals were abandoned by the bidders before any advanced discussions were held.

Table of Contents

The Company decided during the course of its strategic review process to exit its correspondent lending business and the PLS business, and outsource certain mortgage processing, underwriting and closing services for the PLS Business to Lenderlive Network, LLC (which we refer to as "***Lenderlive***"). Further, following extensive negotiations with multiple parties through the second half of 2016, the Company entered into definitive agreements to sell its portfolio of MSRs to Lakeview and New Residential in two separate transactions. In connection with the sale of MSRs to New Residential, New Residential agreed to retain the Company as a subservicer for at least three years following the completion of the sale, subject to certain early termination rights. In February 2017, the Company also agreed to sell certain assets and liabilities of PHH Home Loans, its joint venture with Realogy, to GRA, and, after the consummation of the asset sale, liquidate the residual assets of PHH Home Loans and acquire Realogy's membership interest in PHH Home Loans (we refer to these transactions collectively as the "***Home Loans Transactions***").

During the course of the strategic review process, our board of directors and the Company's management, with the assistance of the Company's legal and financial advisors, also spent a significant amount of time evaluating the possibility of a sale of the assets of the Company followed by a dissolution of the Company, which we refer to as the "Liquidation Scenario," the potential risks and benefits to the Company's stockholders in that scenario, and the comparison of the Liquidation Scenario to the continuation of the Company as an independent company with a capital-light business comprised of subservicing and the related portfolio retention businesses, which we refer to as "***PHH 2.0***".

While Ocwen was one of the parties contacted during the 2016 strategic review process, Ocwen did not submit a proposal during the process. However, in December 2016, in accordance with the directives of our board of directors to continue to explore strategic options for the Company, the Company's financial advisor, Credit Suisse Securities (USA) LLC (which we refer to as "***Credit Suisse***"), met on behalf of the Company with Ocwen to discuss a potential strategic transaction with the Company. Thereafter, members of the senior management of Ocwen and PHH had a call in early December 2016 regarding a potential strategic transaction and, on January 11, 2017, the senior managements of Ocwen and PHH met, together with Ocwen's and PHH's respective financial advisors, to discuss their respective companies and the potential for a strategic transaction.

On January 20, 2017, our board of directors met, together with members of management and representatives of Credit Suisse, Latham & Watkins LLP, counsel to our board of directors (which we refer to as "***Latham***"), and Jones Day, outside legal counsel to the Company. Following extensive discussions, our board of directors decided that, while there were many potentially favorable aspects of a transaction with Ocwen that merited further consideration, including the potential for scale and synergies, there were also a number of factors that would complicate any transaction, including regulatory considerations. In addition to these issues, our board of directors took into account that the Company was then in final negotiations with GRA regarding the Home Loans Transactions and with LenderLive regarding the outsourcing agreement for the PLS Business, and was also in the process of executing the sale of its MSR portfolio. Accordingly, our board of directors decided that pursuing a strategic transaction with Ocwen at the time was not feasible and that the Company should focus in the near term on completing the pending strategic actions and revisit a potential transaction with Ocwen in the coming months.

On February 15, 2017, the Company announced its intent to transition to PHH 2.0. PHH 2.0 was designed to allow the Company to continue as a going concern and create incremental value through scaled-down business operations, while also maintaining strategic flexibility, maximizing near-term capital distributions, and preserving the value of its tax assets. The Company decided to pursue PHH 2.0 instead of the Liquidation Scenario because of the uncertainty regarding the execution and restructuring costs, contingent liabilities and potentially prolonged timeframe for capital distributions to stockholders in the Liquidation Scenario. However, our board of directors recognized at the time that

Table of Contents

the PHH 2.0 business model also entailed certain risks, including execution risk (particularly the dependence on subservicing unit growth through business development efforts), competitive risk, legal and regulatory risks, and client concentration risk after giving effect to the sale of MSRs to New Residential, New Residential and Pingora Loan Servicing, LLC would represent approximately 64% and 15%, respectively, of the Company's subservicing portfolio (by units). In connection with the announcement of PHH 2.0, the Company also announced its intention to return excess cash to its stockholders after the consummation of the asset sale transactions resulting from the strategic review process.

In the months following the announcement in February 2017 of the Company's decision to pursue the PHH 2.0 business model, the Company received substantial negative feedback from certain of its stockholders regarding the decision. There was skepticism among such stockholders about the profitability and long-term viability of the PHH 2.0 business model and the time and investment that may be required for PHH 2.0 to be successful. Some stockholders questioned whether the potential proceeds from a dissolution of the Company would be more than PHH 2.0's projected return. Certain stockholders also urged the Company to accelerate cost-cutting measures and evaluate its remaining capital structure to maximize the near-term return of capital to stockholders and minimize the amount of investment in PHH 2.0 in the near-term.

As it began the transition to PHH 2.0, the Company began implementing a series of measures to restructure the Company's remaining businesses and shared services platform in an effort to substantially reduce overhead costs. In addition, our board of directors instructed management to prepare a long-range forecast of the Company under the PHH 2.0 business model, and a refreshed analysis of the potential proceeds if the Company were to pursue the Liquidation Scenario.

During this period, the senior management teams of the Company and Ocwen held discussions from time to time regarding their respective companies' business, regulatory positions and the possibility of a potential strategic transaction. In early April 2017, Ocwen submitted a preliminary due diligence request to the Company and the Company provided the requested materials. Following its review of the due diligence materials, on April 19, 2017, Ocwen submitted a non-binding indication of interest to acquire the Company for $685 million in the aggregate, or $12.78 per share. On April 20, 2017, the Company's management, with the assistance of Credit Suisse, provided certain feedback to Ocwen on its indication of interest. On April 22, 2017, Ocwen submitted a revised non-binding indication of interest increasing its proposed purchase price to $754 million in the aggregate, or $14.06 per share. The Company's senior management discussed Ocwen's proposal with members of our board of directors, and the directors were generally of the view that, given the regulatory matters facing each of the Company and Ocwen, including the actions filed by the CFPB and state mortgage and banking regulatory agencies against certain subsidiaries of Ocwen on April 20, 2017 and shortly thereafter, it was not feasible to pursue a strategic transaction with Ocwen in the near term since the regulatory and execution risks relating to any such transaction would be too significant. Accordingly, the directors instructed management to focus on pending strategic actions and revisit the possibility for a strategic transaction with Ocwen later in the year.

Around the same time, an investor in mortgage-related assets, which we refer to as "***Company A***", expressed an interest in a strategic transaction with the Company. While Company A's interest in such a transaction soon declined, the two companies remained in touch and held general discussions periodically.

At a special meeting of stockholders held on May 31, 2017, the Company's stockholders approved the sale of MSRs to New Residential and the Home Loans Transactions.

On June 1, 2017, Company A expressed an interest in resuming discussions regarding a potential strategic transaction and submitted a due diligence request list to the Company. Around the same time, the Company also had preliminary discussions with two other participants in the subservicing industry,

Table of Contents

which we refer to as "***Company B***" and "***Company C***," regarding a potential transaction involving the Company's subservicing platform.

In its continuing efforts to maximize stockholder value, at the beginning of June 2017, our board of directors instructed management, with the assistance of Credit Suisse, to engage with all parties that had expressed an interest in a potential transaction since the Company's announcement of PHH 2.0 in February 2017, including Ocwen. In accordance with our board of directors' instructions, Company A was given access to the Company's online data room by mid-June. On June 22 and June 23, 2017, representatives of the Company held a series of due diligence sessions with representatives of Company A, covering a wide range of topics, including operations, legal proceedings, compliance matters and employee matters. On June 23, 2017, Ocwen received access to the online data room. The senior management of the Company also had discussions with the senior management of each of Company B and Company C regarding the framework for a potential transaction. Ocwen, Company A and Company B were all under confidentiality agreements that were entered into in connection with the 2016 strategic review process. Company C did not participate in the 2016 strategic review process and entered into a confidentiality agreement with a standstill provision that allowed it to make a confidential proposal to our board of directors at any time.

In the meantime, our board of directors instructed Credit Suisse to reassess the universe of potential strategic partners and identify a list of counterparties that might be interested in a potential strategic transaction with the Company given the current composition of the Company's business after giving effect to the asset sale transactions and the Company's exit from various businesses.

Our board of directors met on June 28, 2017, together with management, Credit Suisse and Latham. During this meeting, Credit Suisse discussed potential transaction counterparties. Credit Suisse noted that, based on the feedback (or lack thereof) from counterparties following the Company's announcement of PHH 2.0, it believed most of the counterparties that had expressed interest in the Company's subservicing platform during the 2016 strategic review process were unlikely to have a serious interest in pursuing a strategic transaction with the Company at this time. Our board of directors and the Company's management and advisors discussed the fact that while a few of the counterparties, including Company B, might be interested in acquiring the Company's subservicing platform, such a transaction would likely be followed by a liquidation of the Company and expose the Company's stockholders to the Liquidation Scenario risks previously considered by the board of directors during the course of the Company's strategic review. Following extensive discussions, our board of directors decided that the Company should focus on the ongoing discussions with Ocwen and Company A and, depending on the outcome of these discussions, selectively contact additional potential counterparties.

In the weeks following the June 28 board meeting, the Company's management continued to engage with Ocwen and Company A and provided additional due diligence materials to each party. On July 11, 2017, representatives of Ocwen attended a management presentation given by the Company as well as due diligence sessions covering different aspects of the Company's business.

On July 17, 2017, following extensive due diligence, Company A submitted a non-binding indication of interest to acquire the Company for a cash purchase price of $725 million $775 million in the aggregate, or $13.50 $14.50 per share. Company A's proposal assumed, among other things, that up to $700 million of the cash purchase price would be in the form of a cash dividend paid by the Company to its stockholders prior to the closing. Following the receipt of Company A's proposal, in accordance with the directives of our Board of Directors, the Company's management and Credit Suisse discussed with Company A certain aspects of the proposal, including the tax implications of a cash dividend for the Company's stockholders. By late July, discussions with Company A had slowed as a result of both the potential adverse tax implications of the proposed cash dividend to the Company's stockholders and Company A's desire to postpone further discussions until after the release of the

Table of Contents

Company's financial results for the second quarter of 2017. In the meantime, Ocwen continued its due diligence efforts with a view towards establishing an updated indication of value for a whole-company transaction.

On August 8, 2017, the Company released financial results for the second quarter of 2017, reporting a net loss of $46 million or $0.86 per basic share for the quarter. While the subservicing business was performing as expected and the business development pipeline was solid, it was unclear whether the business development efforts would result in actual client acquisitions. The performance of the portfolio retention business was below expectations.

Following the Company's release of its second quarter results, Ocwen communicated its updated views on certain aspects of the value of the Company. The Company's management, with input from the Company's advisors, identified a number of issues with Ocwen's preliminary views, including its assessment of the value of the Company's deferred tax assets and the potential exposure related to the Company's pending litigation with the CFPB, which we refer to as the "***CFPB litigation***." Shortly thereafter, Ocwen and the Company discontinued further conversations regarding a potential transaction.

During the week of August 14, 2017, Company A informed the Company that it was no longer interested in a whole-company transaction, but instead was potentially interested in acquiring the equity of PHH Mortgage Corporation. At the same time, Company A expressed concerns regarding the parties' ability to reach agreement on valuation, the Company's lack of near-term profitability and the potential exposure related to the CFPB litigation. In mid-September 2017, Company A indicated that it had no further interest in acquiring the Company or the equity of PHH Mortgage Corporation.

By the end of the third quarter of 2017, the Company had completed the sale of the Ginnie Mae MSRs to Lakeview, was on track to complete the sale of PHH Home Loans assets to GRA by the end of 2017, and had completed the sale of Fannie Mae and Freddie Mac MSRs to New Residential. In addition, during the first three quarters of 2017, the Company returned $301 million of capital to its stockholders through an issuer tender offer and open market purchases, and reduced the outstanding principal amount of its unsecured debt by $496 million. However, PHH 2.0 was experiencing difficulties as the subservicing portfolio continued to be subject to natural run-off and business development efforts had not yet produced any material new client acquisitions.

In early October 2017, the senior management of the Company contacted Ocwen's senior management to assess Ocwen's willingness to reengage with the Company regarding a potential strategic transaction. By this time, the Company and Ocwen had each made progress on addressing their respective regulatory matters. In particular, the Company had entered into settlement agreements with the Department of Justice on behalf the Department of Housing and Urban Development and separately on behalf of the U.S. Department of Veteran Affairs and the Federal Housing Finance Agency to resolve certain matters regarding legacy mortgage origination and underwriting activities, and Ocwen had reached resolutions with regulatory agencies in approximately half of the states that brought regulatory actions against Ocwen in April 2017. Ocwen indicated that it would be willing to consider reengaging but would first need an update on certain matters, including the status of pending asset sale transactions, the Company's discussions with regulators on a multi-state mortgage settlement and a view into the Company's financial results for the third quarter of 2017, which was provided on October 12, 2017.

On October 23, 2017, Ocwen sent an updated due diligence request list to the Company. Two days later, Ocwen submitted a preliminary, written, non-binding indication of interest to acquire the Company for up to $426 million in the aggregate, or $13.10 per fully diluted share. Ocwen's proposal provided that PHH stockholders would retain $109 million of potential liabilities relating to the CFPB litigation in the form of contingent value rights, which we refer to as "***CVRs***," and was conditioned on the completion of all of the Company's previously announced asset sales.

Table of Contents

Our board of directors met on October 26, 2017, together with management, Credit Suisse and Latham. During the meeting, our board of directors reviewed the terms of Ocwen's preliminary indication of interest and discussed various aspects of Ocwen's proposal with the advisors, including concerns relating to the CVR structure and the amount of value it represented and specific areas in which more value might be ascribed. Following extensive discussions, our board of directors decided that it was in the best interests of the Company and its stockholders to further explore a potential transaction with Ocwen, and instructed management, with the assistance of Credit Suisse, to seek an improvement in Ocwen's proposal, particularly with respect to overall value and the CVR structure.

The next day, the senior management of the Company and Ocwen, together with their respective legal and financial advisors, held a telephone call to discuss various work streams relating to a potential transaction, including due diligence. During this call, Ocwen informed PHH that, under the terms of the settlement agreements that it had entered into with state mortgage and banking regulatory agencies, Ocwen was required to provide these state regulators with 30 days' advance notice and the opportunity to object before entering into any binding agreement to merge with or acquire an unaffiliated company such as PHH, and that any of these regulators could object to Ocwen's entry into such strategic transaction during this 30-day period.

During the following weeks, members of the Company's senior management, together with representatives of Credit Suisse, held a series of meetings with representatives of Ocwen to discuss the terms of Ocwen's proposal and to provide additional due diligence information regarding the Company.

On November 7, 2017, the Company released financial results for the third quarter of 2017, reporting a net loss of $55 million or $1.14 per basic share. The subservicing business was experiencing higher than expected repurchase, indemnification and delinquent servicing expenses coupled with higher payoff amortization, and the portfolio retention business continued to perform below expectations.

On November 16, 2017, Ocwen sent a draft merger agreement and CVR term sheet to the Company. The draft documents contemplated, among other things, (i) that Ocwen would have full control of the CFPB litigation after the closing, (ii) that the CVRs would not be transferable for a period of six months post-closing, and (iii) that the transaction would be conditioned upon the Company having both a specified amount of available cash and a minimum equity value.

During the month of November, the Company held preliminary discussions with another participant in the subservicing industry, which we refer to as "***Company D***," regarding the possibility of a potential strategic transaction. Company D was under a confidentiality agreement entered into in connection with the 2016 strategic review process and received data room access on November 20, 2017.

On November 20, 2017, Ocwen submitted an updated, written, non-binding indication of interest to acquire the Company for up to $391 million in the aggregate (or $11.94 per fully diluted share), consisting of $282 million in cash and $109 million in the form of CVRs. Ocwen indicated that the reduction in its proposed purchase price was primarily due to the lower earnings forecast provided by the Company and the anticipated impact of the proposed tax reform legislation, which was expected to eliminate loss carryback provisions. Upon review of Ocwen's updated indication of interest, the Company's management, with input from Credit Suisse, provided certain feedback on Ocwen's proposed purchased price.

Our board of directors met on November 30, 2017, together with management, Credit Suisse, Latham and Jones Day. During the meeting, our board of directors discussed potential strategic options for the Company. Credit Suisse updated our board of directors regarding the discussions held with potential counterparties over the last few months, noting that, among other things:

- despite the Company's public disclosure of its 2016 strategic review process and the broad outreach to solicit interest from third parties beginning in 2014 and continuing through 2017,

Table of Contents

Ocwen was the only party that had indicated interest in a whole company transaction at this time;

Company A had discontinued discussions regarding a potential transaction several months prior and, based on discussions at that time, was viewed as unlikely to resume discussions;

Company C had indicated that it had decided not to pursue an acquisition of the Company, but expressed willingness to consider a potential transaction in which Company C was acquired;

Company D had discontinued discussions following initial due diligence indicating, among other things, the significant amount of work that needed to be undertaken by the Company in order to transition to the PHH 2.0 business model; and

there were a few counterparties (including Company B) that expressed interest in the Company's subservicing platform, but not in a whole company transaction, and those counterparties that had provided a preliminary indication of value were ascribing zero or negative value to the subservicing platform as a result of subservicing client risk and certain one-time costs associated with a platform sale.

Credit Suisse also discussed with our board of directors certain preliminary financial matters pertaining to the Company. In connection with these discussions, management of the Company reviewed with our board of directors a long-range forecast for the Company, including related assumptions and risks, and updated our board of directors on management's analysis of the Liquidation Scenario. Following these discussions, Jones Day reviewed with our board of directors the terms of the proposed merger agreement with Ocwen and the CVR term sheet, highlighting a number of material issues in the proposed documents. Following extensive discussions, our board of directors was of the view that, despite certain material issues, including significant concerns with respect to the CVR, the proposed transaction with Ocwen still represented the best option for the Company's stockholders. Accordingly, our board of directors instructed management and the advisors to continue negotiations with Ocwen, with particular focus on price, CVR terms and certainty of closing.

In accordance with our board of directors' instructions, the Company's senior management proposed to Ocwen an increased purchase price of $405 million in the aggregate, and Jones Day sent a revised draft of the merger agreement to Sullivan & Cromwell LLP, Ocwen's outside legal counsel, which we refer to as "***S&C***." Following further discussions between the Company and Ocwen, on December 11, 2017, Ocwen increased its proposed purchase price to up to $398 million in the aggregate (or $12.15 per fully diluted share), consisting of $289 million in cash and $109 million in the form of CVRs. Later that day, S&C sent a revised draft of the merger agreement to Jones Day. Jones Day and S&C also exchanged comments on the CVR term sheet.

On December 14, 2017, the senior managements of PHH and Ocwen, together with their respective legal and financial advisors, met in person to negotiate the terms of the proposed transaction. Among other things, the parties discussed the terms of the CVR, including the control of the CFPB litigation prior to and after the closing, the closing conditions relating to the Company's minimum equity value and available cash, and the allocation of risks relating to the pre-signing regulatory advance notice process. Following extensive discussions, the parties generally agreed, among other things, that:

PHH would control the defense of the CFPB litigation, subject to a few specified limitations; and

a minimum net worth threshold would be more appropriate than a minimum equity value threshold and the finance teams of the Company and Ocwen would work to determine the appropriate formula and thresholds for net worth and available cash, in each case subject to certain carve-outs.

Table of Contents

During the following weeks, the senior managements of the Company and Ocwen had a series of discussions regarding the determination of net worth and available cash. As part of these discussions, the parties agreed that the purchase price would be subject to downward adjustments if the Company's net worth declined by more than $22.5 million below the projections provided to Ocwen, provided that in no event would any such adjustment exceed $18,750,000 in the aggregate. During the same period, Jones Day and S&C exchanged multiple drafts of the merger agreement, the CVR term sheet and related documentation.

On January 19, 2018, in light of the substantial progress on the negotiation of the merger agreement and CVR term sheet, Ocwen and the Company decided that Ocwen could commence the pre-signing regulatory advance notice process, and Ocwen subsequently contacted regulators in 31 states regarding the potential transaction.

In addition, in light of the fact that New Residential represents 58% of the Company's subservicing portfolio (by units as of December 31, 2017), the Company and Ocwen both were of the view that it would be prudent to seek New Residential's written consent to the transaction, as required by its subservicing agreement, prior to signing a definitive agreement. If such consent were not obtained, New Residential would have the right to terminate its subservicing agreement and transfer the loans subserviced by the Company either internally or to another subservicer. Accordingly, on January 22, 2018, senior managements of the Company and Ocwen informed New Residential of the potential transaction on a confidential basis and requested its written consent to the transaction.

During the next few weeks, the Company, Jones Day, Ocwen and S&C continued to negotiate the merger agreement and a CVR agreement.

On January 31, 2018, the en banc court of the United States Court of Appeals for the District of Columbia Circuit, which we refer to as the "***DC Circuit Court of Appeals***," reinstated the October 2016 panel decision in the CFPB litigation as it related to issues under the Real Estate Settlement Procedures Act (which we refer to as "***RESPA***"), including vacating the CFPB order that imposed $109 million of disgorgement penalties on the Company. Over the course of the next week, representatives of PHH and Ocwen held a series of discussions regarding the implications of the en banc decision and potential next steps in the CFPB litigation. In the course of these discussions, the Company informed Ocwen that, in light of the en banc decision by the DC Circuit Court of Appeals, the Company believed that its potential exposure to monetary penalties from the CFPB litigation had been reduced significantly and that a CVR was no longer appropriate.

During the week of February 12, 2017, the Company was informed by two existing subservicing clients of their intention to remove portions or all of their respective businesses totaling approximately 115,000 units, representing approximately 17% of the Company's subservicing portfolio (by units as of December 31, 2017), from the Company's platform between the second quarter of 2018 and first quarter of 2019, placing further pressure on the Company's growth plans.

On February 16, 2018, Ocwen sent a revised draft of the merger agreement to the Company as part of a package proposal on the proposed transaction. As part of its package proposal, Ocwen agreed to remove the CVR consideration, but also reduced the aggregate purchase price to $360 million in cash (or $11.00 per fully diluted share). Ocwen indicated that the price reduction was primarily due to the Company's recent client losses and additional uncertainty regarding the Company's remaining clients. Ocwen also informed PHH that, at the request of certain state regulators, Ocwen had agreed to extend the review period for the pre-signing regulatory non-objection process to February 23, 2018.

Our board of directors met on February 18, 2018, together with management, Credit Suisse, Latham and Jones Day. At the meeting, members of management and Credit Suisse reviewed Ocwen's package proposal with our board of directors. Members of management updated our board of directors on recent client losses and the continuing challenges facing the PHH 2.0 business model. Management also updated our board of directors on recent acquisitions and other strategic developments involving

Table of Contents

certain industry participants, which had resulted in intensified competitive pressure. Following extensive discussions, our board of directors decided to continue pursuing the proposed transaction with Ocwen on the basis of its package proposal, and instructed management and the advisors to seek to improve Ocwen's proposed purchase price and continue negotiations on the transaction documents.

On February 19, 2017, members of the Company's and Ocwen's senior management discussed certain aspects of Ocwen's proposal. Ocwen indicated it was unwilling to increase its proposed purchase price, but agreed there would be no purchase price adjustment for declines in the Company's net worth below the projections provided to Ocwen. Ocwen retained the right to terminate the transaction should the Company's net worth or available cash fall below certain thresholds. In the next few days, management of the Company and Jones Day exchanged multiple drafts of the merger agreement and disclosure schedules with Ocwen and S&C, and continued negotiating the transaction documents.

On February 24, 2018, the Company received New Residential's written consent with respect to the proposed transaction with Ocwen, and Ocwen informed the Company that the pre-signing regulatory advance notice period had lapsed without Ocwen receiving any objections.

Our board of directors met on February 25, 2018, together with management, Credit Suisse, Latham, Jones Day and DLA Piper LLP (US), Maryland counsel for the Company (which we refer to as "***DLA***"). At the meeting, members of management and the Company's advisors reviewed with our board of directors the strategic review process undertaken by the Company in recent years, including the broad auction process conducted in 2016, the proposals received by the Company since the 2016 process, and the potential strategic options considered by our board of directors since the announcement of PHH 2.0 in February 2017, including the Liquidation Scenario. Management of the Company presented an updated long-range forecast for the Company, as well as a financial analysis of the Liquidation Scenario. Management also noted that while the Company had successfully reduced its cost infrastructure in 2017, the Company's business development efforts under the PHH 2.0 model had not resulted in meaningful new business, the Company was experiencing natural runoff of loans in its subservicing portfolio and the Company was behind expectations for both subservicing units and portfolio retention volume. Meeting participants discussed in detail the execution risk associated with transitioning to and operating PHH 2.0, and noted that the proposed transaction represented an opportunity to mitigate certain risks and uncertainties associated with the Company's business transformation and growth efforts. Meeting participants also discussed the impact of the recently passed tax reform, which effectively removed tax shields on future losses, creating further pressure on achieving the necessary scale within an acceptable timeframe. Our board of directors then discussed the proposed transaction with Ocwen in detail. In connection with this discussion, Jones Day reviewed the terms of the proposed merger agreement with Ocwen, including closing conditions, the parties' commitment to seek to obtain regulatory approvals and our board of directors' ability to exercise its fiduciary out. In addition, Credit Suisse reviewed its preliminary financial analysis of the merger consideration. Following extensive discussions, our board of directors reaffirmed its view that among the strategic options available to the Company, including continued operation as a standalone company and the Liquidation Scenario, the proposed transaction with Ocwen presented the best option for the Company's stockholders. Accordingly, our board of directors instructed management and the advisors to finalize the transaction documents as soon as practicable.

During the next two days, the Company, Jones Day, Ocwen and S&C engaged in a series of discussions to resolve outstanding points on the transaction documents and exchanged multiple drafts of the merger agreement and disclosure schedules.

Our board of directors met again on February 27, 2018, together with management, Credit Suisse, Latham, Jones Day and DLA. At the beginning of the meeting, DLA reviewed the directors' fiduciary duties under Maryland law in connection with their consideration of a sale of the Company. Management then updated our board of directors with respect to its forecasts and the status of the transaction, the terms of which had been finalized. Thereafter, Credit Suisse reviewed with our board

Table of Contents

of directors its financial analysis of the merger consideration and rendered an oral opinion, confirmed by delivery of a written opinion dated February 27, 2018, to our board of directors to the effect that, as of that date and based on and subject to various assumptions made, procedures followed, matters considered and limitations and qualifications on the review undertaken, the merger consideration to be received by holders of PHH common stock pursuant to the merger agreement was fair, from a financial point of view, to such holders. After further discussions of available alternatives and potential risks, including continuing with the PHH 2.0 business model and the Liquidation Scenario, our board of directors determined that the proposed merger with Ocwen was in the best interests of the Company and its stockholders. Accordingly, our board of directors unanimously approved the merger agreement and the transaction contemplated thereby, including the merger, and resolved to recommend the merger agreement to the Company's stockholders.

Later in the afternoon of February 27, 2018, following Board approval of the merger agreement and the merger, the Company and Ocwen executed the merger agreement. Thereafter, the Company issued a press release announcing its entry into the merger agreement.

Past Contacts, Transactions or Negotiations

Other than as described under "Background of the Merger" above, we, Merger Sub and Ocwen have not had any negotiations, transactions or material contacts during the past two years, and other than as described therein and in the merger agreement there are no present or proposed material agreements, arrangements, understandings or relationships between our executive officers or directors or affiliates and any of Merger Sub or Ocwen, or their respective executive officers or directors.

Reasons for Recommending the Merger

Our board of directors unanimously determined that the merger on the terms and conditions of the merger agreement is advisable and in the best interests of our stockholders, and approved and declared advisable the execution, delivery and performance of the merger and the merger agreement and the consummation of the transactions contemplated thereby. **Our board of directors recommends that the Company's stockholders vote "FOR" the approval of the merger on the terms and conditions of the merger agreement.**

In evaluating the merger agreement and the transactions contemplated thereby, our board of directors discussed the proposed transaction with the board of directors' legal counsel and the Company's management and legal and financial advisors and considered a variety of factors, including the positive factors set forth below, each of which our Board believed supported its determination:

- our board of directors' knowledge of the PHH 2.0 business model and the business, prospects, financial performance and condition, financial and operating plans, capital levels and asset quality of the Company and the risks associated with the foregoing if the Company were to remain an independent public company;

- our board of directors' knowledge of current industry, economic and market conditions and industry trends, and the risks associated with the foregoing if the Company were to remain an independent public company;

- our board of directors' knowledge of the Company's competitive position within relevant markets, including the impact of consolidation within the industry and the emergence of competitors with considerably greater financial, technical and marketing resources, lower funding cost, access to more diverse funding sources, and broader product lines;

- the strategic review processes undertaken by our board of directors over the course of the last few years (including the public, broad-based process to explore a sale of the Company or one or more of its principal businesses in 2016), and our board of directors' evaluation of the alternative means of creating stockholder value available to the Company, including continuing

Table of Contents

the PHH 2.0 plan as a standalone company and a liquidation of the Company, and the significant risks and uncertainties and value implications associated with these alternatives;

the fact that the Company's operations had not been profitable in recent years and the operating losses were expected to continue; while the Company had successfully reduced its cost infrastructure in 2017, the Company's business development efforts under the PHH 2.0 model had not resulted in meaningful new business, the Company was experiencing loss of subservicing customers in addition to natural runoff of loans in its subservicing portfolio and the Company was behind expectations for both subservicing units and portfolio retention volume;

our board of directors' belief that the merger consideration of $11.00 per share was more favorable to the Company's stockholders than the potential value that might result from other alternatives reasonably available to the Company at the time the merger agreement was approved, including the continued operation of the Company as an independent company or a liquidation of the Company;

the opinion, dated February 27, 2018, of Credit Suisse to the PHH board of directors as to the fairness, from a financial point of view and as of such date, of the merger consideration to be received by holders of PHH common stock pursuant to the merger agreement, which opinion was based on and subject to the assumptions made, procedures followed, matters considered and limitations and qualifications on the review undertaken as more fully described in "*Opinion of the Company's Financial Advisor*;"

the current and historical market prices of PHH common stock and the fact that the Per Share Price represented a premium of approximately 24% over PHH's closing stock price of $8.84 per share on February 26, 2018, the last trading day prior to the announcement of the transaction;

the fact that the merger consideration consists solely of cash, providing PHH stockholders certain, near-term value and liquidity for their shares, especially when viewed against the medium- and long-term market and business risks and the risks associated with realizing current expectations for PHH's future financial performance;

the fact that the terms and conditions of the merger agreement and the transactions contemplated thereby were the product of arm's-length negotiations between the parties and were designed to provide substantial certainty that the merger would be consummated on a timely basis; and

the fact that while the merger agreement prohibits PHH from soliciting a takeover proposal (as defined in "*The Merger Agreement No Solicitation by PHH*"), the merger agreement permits PHH and our board of directors, prior to the time that its stockholders adopt the merger agreement, to take the following actions:

- furnish information to and conduct negotiations with third parties in respect of any unsolicited written takeover proposal;
- terminate the merger agreement in order to accept a superior proposal (as defined in "*The Merger Agreement No Solicitation by PHH*"), subject to payment of a $12.6 million termination fee; and
- to change or withdraw our Board's recommendation of the merger agreement in response to a superior proposal or an intervening event (as defined in "*The Merger Agreement Adverse Recommendation Change; Fiduciary Termination*"), if our Board determines that the failure to effect a change in recommendation is likely to violate our board of directors' fiduciary duties to our stockholders.

41

Table of Contents

Our board of directors also considered a variety of risks and potentially negative factors concerning the merger and the merger agreement, including the following:

- the fact that the consummation of the merger is subject to a number of conditions, including the approval by a variety of federal and state regulatory agencies and the consents of Fannie Mae, Freddie Mac and Ginnie Mae, and such approvals and consents may not be obtained;

- the fact that while Ocwen has agreed to use its reasonable best efforts to obtain the required regulatory approvals, Ocwen is not required to, and PHH may not, without Ocwen's consent, take any action or agree to any restraint, restriction, limitation, requirement or condition that would, individually or in the aggregate, reasonably be expected to, impair in any material respect the business or financial condition of the combined company, taken as a whole;

- the fact that under the terms of the merger agreement, Ocwen has the right not to consummate the merger if PHH fails to maintain its adjusted net worth or available cash above a certain specified level (see "*The Merger Agreement Material Adverse Effect*");

- the fact that following the consummation of the merger, PHH will no longer exist as a public company and the stockholders will not be able to participate in any value creation that PHH could generate going forward, as well as any future appreciation in the value of the combined company;

- the fact that the mortgage servicing industry has been under intensified regulatory scrutiny since the collapse of the subprime lending market ten years ago, and the possibility that PHH stockholders could receive greater consideration for their shares in a future change-in-control transaction or otherwise in more favorable industry conditions;

- the risk that, if the merger is not completed:

  - the market price of PHH common stock could be affected by many factors, including (i) the reason for which the merger agreement was terminated and whether such termination results from factors adversely affecting PHH, (ii) the possibility that the marketplace would consider PHH to be an unattractive acquisition candidate, and (iii) the possible sale of shares by short-term investors following an announcement of the termination of the merger agreement;

  - the market's perception of PHH's continuing business and future prospects could adversely affect PHH's relationships with employees, customers, lenders, vendors and other business partners as well as PHH's relationships with its regulators; and

  - PHH may not be able to find another buyer for the whole company, and any potential buyer may withdraw its offer without entering into any definitive agreement;

- the fact that the merger agreement prohibits PHH from soliciting takeover proposals and requires the payment of a $12.6 million termination fee if PHH were to terminate the merger agreement to enter into a definitive agreement with respect to an unsolicited superior proposal, which would make it more costly for any other potential purchaser to acquire PHH;

- the fact that the merger agreement contains certain restrictions on the conduct of PHH's business prior to the consummation of the merger, which may delay or prevent PHH from undertaking business opportunities that may arise prior to

consummation of the merger, and the resultant risk if the merger is not consummated;

the fact that the receipt of cash in exchange for PHH shares pursuant to the merger will be a taxable transaction for U.S. federal income tax purposes;

the significant costs involved in connection with consummating the merger, the substantial management time and effort required to effectuate the merger and the related disruption to PHH's day-to-day operations during the pendency of the merger;

Table of Contents

the potential negative effect of the pendency of the merger on PHH's business, including uncertainty about the effect of the proposed merger on PHH's employees, customers and other parties, which may impair PHH's ability to attract, retain and motivate key personnel, and could cause customers, suppliers and others to seek to change existing business relationships with PHH;

the fact that PHH's directors and executive officers have interests in the merger that are different from, or in addition to, the interests of PHH's stockholders generally, as described under "*The Merger Proposal Interests of Our Directors and Executive Officers in the Merger*" beginning on page 54;

the fact that dissenting stockholders do not have the right to seek appraisal of the fair value of PHH common stock under Maryland law; and

the risk that there can be no assurance that all conditions to the parties' obligations to complete the merger will be satisfied on a timely basis and, as a result, it is possible that the merger may be delayed or may not be completed even if the merger agreement is adopted by PHH's stockholders.

The factors listed above as supporting our board of directors' decisions were determined by our board of directors to outweigh the countervailing considerations and risks. The foregoing discussion of our board of directors' reasons for its recommendation is not meant to be exhaustive, but addresses the material factors considered by our board of directors in connection with its recommendation. In view of the wide variety of factors considered by our board of directors in connection with its evaluation of the merger and the complexity of these matters, our board of directors did not find it practicable to, and did not, quantify or otherwise assign relative weights to the specific factors considered in reaching its determination and recommendation. Rather, our board of directors made its determination and recommendation based on the totality of the information presented to it, and the judgments of individual members of our board of directors may have been influenced to a greater or lesser degree by different factors. The factors, potential risks and uncertainties contained in this section contain information that is forward-looking in nature and should be read in conjunction with the factors discussed in "*Special Note Regarding Forward-Looking Statements*".

Recommendation of our Board of Directors

Our board of directors, at a special meeting held on February 27, 2018, after due consideration, unanimously (i) determined that the merger is advisable and in the best interests of the Company and its stockholders on the terms and conditions of the merger agreement, (ii) approved the merger agreement and the transactions contemplated by the merger agreement, including the merger, and (iii) directed that the merger on the terms and conditions of the merger agreement be submitted for consideration by our stockholders at the special meeting of stockholders. **Our board of directors has approved the merger on the terms and conditions of the merger agreement and unanimously recommends that stockholders vote "*FOR*" the Merger Proposal.**

Unaudited Financial Projections

As a matter of course, PHH does not develop or publicly disclose long-term projections or internal projections of its future performance and is especially wary of making projections for extended periods given the unpredictability of the underlying assumptions and estimates, although PHH in the past has provided investors with limited quarterly or full-year financial guidance covering discrete areas of its financial performance. However, in connection with the merger, our management prepared certain non-public, unaudited financial forecast for PHH, which we refer to as the "***Financial Projections***," and provided the projections to our board of directors to assist our board of directors in evaluating a possible transaction. The Financial Projections also were provided to Credit Suisse, which was directed

Table of Contents

to use and rely upon such projections in connection with its financial analyses and opinion as described in the section entitled " *Opinion of the Company's Financial Advisor*."

The Financial Projections reflect numerous judgments, estimates and assumptions with respect to industry performance, general business, economic, market and financial conditions and other future events, as well as matters specific to PHH, all of which are inherently uncertain, difficult to predict and many of which are beyond our control. These assumptions included assumptions about the subservicing market, business development initiatives, operational productivity and interest rates. In addition, certain assumptions were based on information derived from third parties. Our management believes the Financial Projections were prepared on a reasonable basis and reflected the best then-currently available estimates and judgments of our management when prepared. The Financial Projections are subjective in many respects and are subject to change based on actual experience and business developments. As such, Financial Projections constitute forward-looking information and are subject to risks and uncertainties that could cause actual results to differ materially from the results forecasted, including the various risks set forth in PHH's periodic reports. For additional information regarding these risks, please see the section of this proxy statement entitled "Special Note Regarding Forward-Looking Statements." There can be no assurance that the projected results will be realized or that actual results will not be significantly higher or lower than projected. The Financial Projections should not be considered necessarily reflective of actual future results. The Financial Projections cover multiple years and such information by its nature becomes less predictive with each successive year.

The Financial Projections were based upon various assumptions which relate only to the periods presented. The Financial Projections do not take into account any circumstances or events occurring after the date they were prepared.

The Financial Projections were not prepared with a view toward public disclosure or toward complying with generally accepted accounting principles, the published guidelines of the SEC regarding projections or the guidelines established by the American Institute of Certified Public Accountants for preparation and presentation of prospective financial information. All of the Financial Projections (excluding industry projections prepared by third parties) were estimates prepared by our management. In addition, the Financial Projections are unaudited and neither PHH's independent registered public accounting firm, nor any other independent accountants, have compiled, examined or performed any procedures with respect to the Financial Projections, nor have they expressed any opinion or any other form of assurance on such information or its achievability, and they assume no responsibility for, and disclaim any association with, the Financial Projections. Readers of this document are urged not to place undue reliance on the unaudited Financial Projections set forth below and PHH urges all stockholders to review PHH's SEC filings for PHH's actual financial results.

The inclusion of the Financial Projections in this proxy statement is not deemed an admission or representation by PHH or any other person that it considered, or now considers, the Financial Projections as material information or necessarily predictive of actual future results or events. The Financial Projections are not included in this proxy statement in order to influence any stockholder of PHH with respect to the approval of the proposal to approve the merger agreement. **PHH DOES NOT INTEND TO UPDATE OR OTHERWISE REVISE THE FINANCIAL PROJECTIONS INCLUDED IN THIS PROXY STATEMENT TO REFLECT CIRCUMSTANCES EXISTING SINCE ITS PREPARATION OR TO REFLECT THE OCCURRENCE OF UNANTICIPATED EVENTS, EVEN IN THE EVENT THAT ANY OR ALL OF THE UNDERLYING ASSUMPTIONS ARE SHOWN TO BE IN ERROR, OR TO REFLECT CHANGES IN GENERAL ECONOMIC OR INDUSTRY CONDITIONS.**

Table of Contents

Set forth below is a summary of the Financial Projections:

	2018	2019	2020	2021	2022
Total Revenue	$ 171	$ 225	$ 261	$ 288	$ 307
Direct Expense	(145)	(152)	(170)	(187)	(200)
Direct Shared Service Expenses	(114)	(71)	(70)	(69)	(67)
EBIT	(88)	3	21	32	40
Net Income(1)	(106)	0	16	23	30
Adjusted Net Income(2)	(107)	(4)	10	18	24

(1) Following adjustment for interest expense, one-time expenses and income tax benefit/expenses.

(2) Following adjustment for loss in contract adjustment (gross).

Opinion of the Company's Financial Advisor

PHH has engaged Credit Suisse to act as its financial advisor in connection with the proposed merger. In connection with this engagement, the board of directors requested that Credit Suisse evaluate the fairness, from a financial point of view, of the merger consideration to be received by holders of PHH common stock pursuant to the merger agreement. On February 27, 2018, at a meeting of the board of directors held to evaluate the proposed merger, Credit Suisse rendered an oral opinion, confirmed by delivery of a written opinion dated February 27, 2018, to the board of directors to the effect that, as of that date and based on and subject to various assumptions made, procedures followed, matters considered and limitations and qualifications on the review undertaken, the merger consideration to be received by holders of PHH common stock pursuant to the merger agreement was fair, from a financial point of view, to such holders.

The full text of Credit Suisse's written opinion, dated February 27, 2018, to the board of directors, which sets forth, among other things, the assumptions made, procedures followed, matters considered and limitations and qualifications on the review undertaken by Credit Suisse in connection with such opinion, is attached to this proxy statement as *Annex B* and is incorporated into this proxy statement by reference in its entirety. The description of Credit Suisse's opinion set forth in this proxy statement is qualified in its entirety by reference to the full text of Credit Suisse's opinion. Credit Suisse's opinion was provided to the board of directors (in its capacity as such) for its information in connection with its evaluation of the merger consideration from a financial point of view and did not address any other terms, aspects or implications of the proposed merger, the relative merits of the merger as compared to alternative transactions or strategies that might be available to PHH or the underlying business decision of the board of directors or PHH to proceed with the merger. Credit Suisse's opinion does not constitute advice or a recommendation to any securityholder as to how such securityholder should vote or act on any matter relating to the proposed merger or otherwise.

In arriving at its opinion, Credit Suisse reviewed an execution version, provided to Credit Suisse on February 27, 2018, of the merger agreement and certain publicly available business and financial information relating to PHH. Credit Suisse also reviewed certain other information relating to PHH provided to or discussed with Credit Suisse by the management of PHH, including financial forecasts and estimates relating to PHH provided to or discussed with Credit Suisse by the management of PHH, and Credit Suisse met with the management of PHH to discuss the businesses and prospects of PHH. Credit Suisse also considered certain financial and stock market data of PHH, and Credit Suisse compared that data with similar data for companies with publicly traded equity securities in businesses Credit Suisse deemed relevant. Credit Suisse also considered such other information, financial studies, analyses and investigations and financial, economic and market criteria which it deemed relevant.

Table of Contents

In connection with its review, Credit Suisse did not independently verify any of the foregoing information and, with PHH's consent, Credit Suisse assumed and relied upon such information being complete and accurate in all material respects. With respect to the financial forecasts and estimates for PHH (including, without limitation, as to PHH's projected net worth and available and distributable cash) that Credit Suisse was directed to utilize in its analyses, the management of PHH advised Credit Suisse, and Credit Suisse assumed, with PHH's consent, that such financial forecasts and estimates were reasonably prepared in good faith on bases reflecting the best currently available estimates and judgments of such management as to the future financial performance of PHH and the other matters covered thereby and were appropriate for Credit Suisse's use and reliance for purposes of its analyses and opinion. Credit Suisse expressed no opinion as to any financial forecasts or estimates or the assumptions on which they were based. Credit Suisse relied, with PHH's consent and without independent verification, upon the assessments of the management of PHH as to, among other things, (i) the pending sale of PHH's mortgage servicing rights and other asset sales and dispositions, and the exiting of certain businesses, reorganizations, restructurings and other corporate transactions undertaken by PHH (collectively referred to in this section as the "***disposition transactions***"), including with respect to the timing thereof and expected amount of distributable cash therefrom, (ii) the potential impact on PHH of certain market, competitive, cyclical and other trends in and prospects for, and governmental, regulatory and legislative matters relating to or otherwise affecting, the residential mortgage and real estate markets and related credit and financial markets, including with respect to interest rates and conditions in the housing market, (iii) the annual portfolio growth and recapture rates of PHH and (iv) recent events and other aspects relating to PHH's key clients, vendors and other commercial relationships. Credit Suisse assumed, with PHH's consent, that there would be no developments with respect to any such matters or any adjustments to the merger consideration that would be meaningful in any respect to Credit Suisse's analyses or opinion.

In connection with its opinion, Credit Suisse was not requested to make, and it did not make, an independent evaluation or appraisal of the assets or liabilities (contingent, accrued, derivative, off-balance sheet or otherwise) of PHH or any other entity, nor was Credit Suisse furnished for purposes of its analyses or opinion with any such evaluations or appraisals, and Credit Suisse's analyses should not be construed as such. Credit Suisse is not an expert in the evaluation of, and Credit Suisse expressed no opinion with respect to, loan portfolios or individual credit files or the adequacy or sufficiency of allowances for credit losses with respect to loans or any other matters. Credit Suisse also was not requested to make, and it did not make, an evaluation of the solvency or fair value of PHH under any state, federal or other laws relating to bankruptcy, insolvency or similar matters or any potential or actual litigation, regulatory action or governmental investigation or possible unasserted claims or other contingent liabilities to which PHH or any other entity was or may have been a party or was or may have been subject or any reserves therefor, and Credit Suisse assumed, with PHH's consent, that the outcome of such matters would not be meaningful in any respect to Credit Suisse's analyses or opinion.

Credit Suisse assumed, with PHH's consent, that, in the course of obtaining any regulatory or third-party consents, approvals, agreements or waivers in connection with the merger, no delay, limitation, restriction or condition, including any divestiture requirements or amendments or modifications, would be imposed or occur that would have an adverse effect on PHH or the merger or that otherwise would be meaningful in any respect to Credit Suisse's analyses or opinion and that the merger would be consummated in accordance with the terms of the merger agreement and in compliance with all applicable laws, documents and other requirements without waiver, modification or amendment of any material term, condition or agreement thereof. Representatives of PHH advised Credit Suisse, and Credit Suisse also assumed, with PHH's consent, that the terms of the merger agreement, when executed, would conform in all material respects to the terms reflected in the execution version reviewed by Credit Suisse. Credit Suisse did not express any opinion with respect to accounting, tax, regulatory, legal or similar matters, including, without limitation, any opinion with

Table of Contents

respect to changes in, or the impact of, tax laws, regulations and governmental and legislative policies on the merger, PHH or any other participant in the merger, Credit Suisse assumed that PHH had or would obtain such advice or opinions from appropriate professional sources, and Credit Suisse relied, with PHH's consent, upon the assessments of representatives of PHH as to such matters.

Credit Suisse's opinion addressed only the fairness, from a financial point of view and as of its date, of the merger consideration (to the extent expressly specified in such opinion), without regard to individual circumstances of specific holders with respect to any rights or aspects which may distinguish such holders or the securities of PHH held by such holders, and did not address any other terms, aspects or implications of the merger, including, without limitation, the form or structure of the merger, any adjustments to the merger consideration, the financial or other terms or consequences of any disposition transaction or related distributions or any post-closing reorganizations or other agreement, arrangement or understanding to be entered into in connection with, related to or contemplated by the merger or otherwise. In addition, Credit Suisse's opinion did not address the fairness of the amount or nature of, or any other aspect relating to, any compensation or other consideration to any officers, directors, employees or securityholders of any party to the merger or any related entities, or class of such persons, relative to the merger consideration or otherwise. The issuance of Credit Suisse's opinion was approved by Credit Suisse's authorized internal committee.

Credit Suisse's opinion was necessarily based upon information made available to Credit Suisse as of the date of Credit Suisse's opinion and financial, economic, market and other conditions as they existed and could be evaluated on that date. It should be understood that subsequent developments may affect Credit Suisse's opinion, and Credit Suisse does not have any obligation to update, revise, reaffirm or withdraw its opinion. Credit Suisse did not express any opinion as to the prices or range of prices at which PHH common stock or other securities would trade or be transferable at any time, including following announcement of the proposed merger. Credit Suisse's opinion did not address the relative merits of the merger as compared to alternative transactions or strategies that might be available to PHH, nor did it address the underlying business decision of the board of directors or PHH to proceed with the merger.

In preparing its opinion to the board of directors, Credit Suisse performed a variety of financial and comparative analyses, including those described below. The summary of Credit Suisse's analyses described below is not a complete description of the analyses underlying Credit Suisse's opinion. The preparation of a fairness opinion is a complex process involving various determinations as to the most appropriate and relevant methods of financial analysis and the application of those methods to the particular circumstances and, therefore, a financial opinion is not readily susceptible to partial analysis or summary description. Credit Suisse arrived at its ultimate opinion based on the results of all analyses undertaken by it and assessed as a whole and did not draw, in isolation, conclusions from or with regard to any one factor or method of analysis. Accordingly, Credit Suisse believes that its analyses must be considered as a whole and that selecting portions of its analyses and factors or focusing on information presented in tabular format, without considering all analyses and factors or the narrative description of the analyses, could create a misleading or incomplete view of the processes underlying its analyses and opinion.

In its analyses, Credit Suisse considered industry performance, general business, economic, market and financial conditions and other matters, many of which are beyond the control of PHH. No company or business used for comparative purposes in Credit Suisse's analyses is identical to PHH, and an evaluation of the results of those analyses is not entirely mathematical. Rather, the analyses involve complex considerations and judgments concerning financial and operating characteristics and other factors that could affect the acquisition, public trading or other values of the companies or businesses analyzed. The estimates contained in Credit Suisse's analyses and the implied reference ranges resulting from any particular analysis are not necessarily indicative of actual values or predictive of future results or values, which may be significantly more or less favorable than those suggested by the analyses. In

Table of Contents

addition, analyses relating to the value of businesses or securities do not purport to be appraisals or to reflect the prices at which businesses or securities actually may be sold or acquired. Accordingly, the estimates used in, and the results derived from, Credit Suisse's analyses are inherently subject to substantial uncertainty.

Credit Suisse was not requested to, and it did not, determine or recommend the merger consideration, which was determined through negotiations between PHH and Ocwen, and the decision to enter into the merger agreement was solely that of the board of directors. Credit Suisse's opinion and financial analyses were only one of many factors considered by the board of directors in its evaluation of the merger consideration and should not be viewed as determinative of the views of the board of directors or management with respect to the merger or the consideration payable in the merger.

Financial Analyses

The summary of the financial analyses described in this section entitled " *Financial Analyses*" is a summary of the material financial analyses reviewed with the board of directors in connection with Credit Suisse's opinion dated February 27, 2018. **The financial analyses summarized below include information presented in tabular format. In order to fully understand Credit Suisse's financial analyses, the tables must be read together with the text of each summary. The tables alone do not constitute a complete description of the financial analyses. Considering the data in the tables below without considering the full narrative description of the financial analyses, including the methodologies and assumptions underlying the analyses, could create a misleading or incomplete view of Credit Suisse's financial analyses.**

Selected Public Companies Analysis. Credit Suisse reviewed certain financial and stock market information relating to PHH and the following two selected companies that Credit Suisse considered generally relevant as publicly traded companies with principal operations in the mortgage servicing and/or subservicing industry, collectively referred to as the selected companies:

Nationstar Mortgage Holdings Inc.

Ocwen Financial Corporation

Credit Suisse reviewed, among other information, closing stock prices as of February 26, 2018 (or, in the case of Nationstar Mortgage Holdings Inc., February 12, 2018, which was the last trading day prior to public announcement of its proposed sale to WMIH Corp.) as a multiple of tangible book value per share as of September 30, 2017. Financial data of the selected companies were based on public filings and other publicly available information. Financial data of PHH was based on information provided by the management of PHH, public filings and other publicly available information.

The overall low to high tangible book value per share (as of September 30, 2017) multiples observed for the selected companies were 0.79x to 1.08x (with a mean and a median of 0.93x). Credit Suisse noted that the tangible book value per share (as of September 30, 2017) multiple observed for PHH was 0.49x based on publicly available information. Credit Suisse then applied a selected range of tangible book value per share multiples of 0.50x to 0.80x to PHH's tangible book value as of December 31, 2017 based on information provided by the management of PHH. This analysis indicated the following approximate implied per share equity value reference range for PHH, as compared to the merger consideration:

Implied Per Share Equity Value Reference Range	**Merger Consideration**
$8.49 - $13.56	$11.00

Table of Contents

Dividend Discount Analysis. Credit Suisse performed a dividend discount analysis of PHH's consolidated operations (consisting of PHH's excess cash inclusive of the projected cash to be received from PHH's pending sale of its mortgage servicing rights to New Residential Mortgage LLC and PHH's continuing operations) to calculate the estimated present value of dividends that PHH forecasted would be payable during PHH's fiscal years ending December 31, 2018 through December 31, 2026 based on financial forecasts and estimates prepared by the management of PHH. The present value (as of December 31, 2017) of PHH's excess cash was calculated using a selected range of discount rates of 8.5% to 16.5%. The implied terminal values for PHH's continuing operations were derived by applying to PHH's estimated tangible book value as of December 31, 2026 a selected range of tangible book value multiples of 0.50x to 1.10x and the present values (as of December 31, 2017) of the distributable dividends and terminal values were then calculated using a selected range of discount rates of 13.5% to 21.0%. This analysis indicated the following overall approximate implied per share equity value reference range for PHH, as compared to the merger consideration:

Implied Per Share Equity Value Reference Range	Merger Consideration
$10.23 - $11.98	$11.00

Certain Additional Information

Credit Suisse observed certain additional information that was not considered part of Credit Suisse's financial analyses with respect to its opinion but was noted for informational purposes, including the following:

stock price targets for PHH common stock as reflected in selected publicly available Wall Street research analysts' reports, which indicated an overall low to high target stock price range for PHH of $11.00 to $12.00 per share;

historical trading prices of PHH common stock during the 52-week period ended February 26, 2018, which indicated low and high intraday prices for PHH common stock during such period of approximately $8.01 and $15.00 per share, respectively; and

the approximate implied equity value reference range for PHH derived by the management of PHH assuming an orderly liquidation of PHH of $6.97 to $9.60 per share.

Miscellaneous

PHH selected Credit Suisse to act as financial advisor to PHH in connection with the merger based on Credit Suisse's qualifications, experience and reputation. Credit Suisse is an internationally recognized investment banking firm and is regularly engaged in the valuation of businesses and securities in connection with mergers and acquisitions, leveraged buyouts, negotiated underwritings, competitive biddings, secondary distributions of listed and unlisted securities, private placements and valuations for corporate and other purposes.

PHH has agreed to pay Credit Suisse for its financial advisory services in connection with the proposed merger an aggregate fee of $5.25 million, of which a financial advisory fee of $2.25 million was previously paid in December 2017 and the remaining $3 million was payable upon delivery Credit Suisse's opinion. In addition, PHH has agreed to reimburse Credit Suisse for its expenses, including fees and expenses of legal counsel, and to indemnify Credit Suisse and certain related parties for certain liabilities and other items, including liabilities under the federal securities laws, arising out of or related to its engagement.

As the board of directors was aware, Credit Suisse and its affiliates in the past have provided and currently are providing investment banking and other financial services to PHH unrelated to the

Table of Contents

merger for which Credit Suisse and its affiliates have received and would expect to receive compensation, including, during the two-year period prior to the date of Credit Suisse's opinion, having acted or acting as financial advisor to PHH in connection with a series of strategic alternative transactions, including certain asset sales or other disposition transactions, and as dealer manager for a share repurchase and a senior notes tender offer, for which services Credit Suisse and its affiliates received during such two-year period aggregate fees of approximately $14 million. As the board of directors also was aware, Credit Suisse and its affiliates in the past have provided and currently are providing investment banking and other financial services to Ocwen, for which Credit Suisse and its affiliates have received and would expect to receive compensation, including, during the two-year period prior to the date of Credit Suisse's opinion, having acted or acting as joint dealer manager for a bond exchange offer for Ocwen and as a joint bookrunner for certain financings, and as joint lead arranger, joint bookrunner and co-documentation agent for, and as a lender under, certain credit facilities, of Ocwen and certain of its affiliates, for which services Credit Suisse and its affiliates received during such two-year period aggregate fees of approximately $6.5 million. Credit Suisse and its affiliates may provide investment banking or other financial services to PHH, Ocwen and their respective affiliates in the future, for which Credit Suisse and its affiliates would expect to receive compensation.

Credit Suisse is a full service securities firm engaged in securities trading and brokerage activities as well as providing investment banking and other financial services. In the ordinary course of business, Credit Suisse and its affiliates may acquire, hold or sell, for Credit Suisse's and its affiliates' own accounts and the accounts of customers, equity, debt and other securities and financial instruments (including bank loans and other obligations) of PHH, Ocwen or any other entity that may be involved in the merger and certain of their respective affiliates, as well as provide investment banking and other financial services to such entities.

Required Regulatory Approvals

Antitrust Approvals

Under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, referred to herein as the "***HSR Act***" and related rules, certain transactions, including the merger, may not be completed until notifications have been given and information furnished to the Antitrust Division of the Department of Justice, or the "***Antitrust Division***," and the Federal Trade Commission, or the "***FTC***," and all statutory waiting period requirements have been satisfied. On March 26, 2018, both PHH and Ocwen filed their respective Notification and Report Forms with the Antitrust Division and the FTC. The merger may not be completed until the expiration of a 30 calendar day waiting period, which, unless earlier terminated by the Antitrust Division or the FTC, would have expired on April 25, 2018. The FTC granted early termination of this waiting period effective April 19, 2018 with respect to both PHH and Ocwen.

At any time before or after the effective time of the merger, the Antitrust Division or the FTC could take action under the antitrust laws, including seeking to prevent the merger, to rescind the merger or to conditionally approve the merger upon the divestiture of assets of PHH or Ocwen or subject to regulatory conditions or other remedies. In addition, U.S. state attorneys general could take action under the antitrust laws as they deem necessary or desirable in the public interest, including, without limitation, seeking to enjoin the completion of the merger or permitting completion subject to regulatory conditions. Private parties may also seek to take legal action under the antitrust laws under some circumstances. There can be no assurance that a challenge to the merger on antitrust grounds will not be made or, if such a challenge is made, that it would not be successful.

Table of Contents

Federal and State Regulatory Approvals

The approvals and notices required to complete the merger on the terms and conditions of the merger agreement include (a) notices to, or approvals of, various state regulatory agencies of the change in control of PHH or its subsidiaries resulting from the transactions contemplated by the merger agreement in all U.S. state and commonwealth jurisdictions, and (b) notices to, and approvals of, Fannie Mae, Freddie Mac, Ginnie Mae, the Federal Housing Finance Agency, the Veterans Administration and the USDA Rural Development of the transactions contemplated by the merger agreement. We cannot assure you, however, that these consents, waivers, approvals, permits or authorizations will be obtained in a timely manner, or at all.

Funding for the Merger

Ocwen expects to fund the transactions contemplated by the merger agreement with a combination of PHH's available cash, Ocwen's available cash and/or Ocwen's available lines of credit. See " *The Merger Agreement Material Adverse Effect*" for additional information regarding the requirements for PHH to maintain a minimum amount of available cash under the merger agreement.

Certain Federal Income Tax Consequences of the Merger

The following discussion is a summary of the U.S. federal income tax consequences of the merger that are relevant to holders of shares of PHH common stock whose shares are converted into the right to receive cash pursuant to the merger. This discussion is based upon the Internal Revenue Code of 1986, as amended (referred to as the "***Code***"), Treasury Regulations promulgated under the Code, court decisions, published positions of the Internal Revenue Service (referred to as the "***IRS***"), and other applicable authorities, all as in effect on the date of this proxy statement and all of which are subject to change or differing interpretations, possibly with retroactive effect. This discussion is limited to holders who hold their shares of PHH common stock as "capital assets" within the meaning of Section 1221 of the Code (generally, property held for investment purposes). This summary does not describe any of the tax consequences arising under the laws of any state, local or foreign tax jurisdiction and does not consider any aspects of U.S. federal tax law other than income taxation (e.g., state, gift or alternative minimum tax or the Medicare net investment income surtax). For purposes of this discussion, a "***holder***" means either a U.S. Holder or a Non-U.S. Holder or both, as the context may require.

This discussion is for general information only and does not address all of the tax consequences that may be relevant to holders in light of their particular circumstances, including:

holders who may be subject to special treatment under U.S. federal income tax laws, such as: financial institutions, tax-exempt organizations, S corporations or any other entities or arrangements treated as partnerships or pass-through entities for U.S. federal income tax purposes, insurance companies, mutual funds, dealers in stocks and securities, traders in securities that elect to use the mark-to-market method of accounting for their securities, regulated investment companies, real estate investment trusts, or certain expatriates or former long-term residents of the United States;

holders holding the shares as part of a hedging, constructive sale or conversion, straddle or other risk reducing transaction;

holders that received their shares of PHH common stock in a compensatory transaction;

holders who own an equity interest, actually or constructively, in PHH or the surviving corporation; or

U.S. Holders whose "functional currency" is not the U.S. dollar.

Table of Contents

If a partnership (including an entity or arrangement classified as a partnership for U.S. federal income tax purposes) is a beneficial owner of shares of PHH common stock, the tax treatment of a partner in such partnership will generally depend upon the status of the partner and the activities of the partnership. Partnerships holding the shares of PHH common stock and partners therein should consult their tax advisors regarding the consequences of the merger.

We have not sought, and do not intend to seek, any ruling from the IRS with respect to the statements made and the conclusions reached in the following summary. No assurance can be given that the IRS will agree with the views expressed in this summary, or that a court will not sustain any challenge by the IRS in the event of litigation.

THIS DISCUSSION IS PROVIDED FOR GENERAL INFORMATION ONLY AND DOES NOT CONSTITUTE LEGAL ADVICE TO ANY HOLDER. A HOLDER SHOULD CONSULT ITS OWN TAX ADVISORS CONCERNING THE U.S. FEDERAL INCOME TAX CONSEQUENCES RELATING TO THE MERGER IN LIGHT OF ITS PARTICULAR CIRCUMSTANCES AND ANY CONSEQUENCES ARISING UNDER THE LAWS OF ANY STATE, LOCAL OR FOREIGN TAXING JURISDICTION OR OTHER TAX LAWS.

U.S. Holders

For purposes of this discussion, a "***U.S. Holder***" is a beneficial owner of shares of PHH common stock who or that is for U.S. federal income tax purposes:

An individual who is a citizen or resident of the United States;

A corporation, or other entity taxable as a corporation, created or organized in or under the laws of the United States or any state thereof or the District of Columbia;

An estate, the income of which is subject to U.S. federal income taxation regardless of its source; or

A trust (i) that is subject to the primary supervision of a court within the United States and the control of one or more United States persons as defined in section 7701(a)(30) of the Code or (ii) that has a valid election in effect under applicable Treasury regulations to be treated as a United States person.

The receipt of cash by a U.S. Holder in exchange for shares of PHH common stock pursuant to the merger generally will be a taxable transaction for U.S. federal income tax purposes. In general, such U.S. Holder's gain or loss will be equal to the difference, if any, between the amount of cash received and the U.S. Holder's adjusted tax basis in the shares surrendered pursuant to the merger. A U.S. Holder's adjusted tax basis generally will equal the amount that such U.S. Holder paid for the shares. Such gain or loss generally will be capital gain or loss and will be long-term capital gain or loss if such U.S. Holder's holding period in such shares is more than 1 year at the time of the consummation of the merger. A reduced tax rate on capital gain generally will apply to long-term capital gain of a non-corporate U.S. Holder. There are limitations on the deductibility of capital losses.

Non-U.S. Holders

For purposes of this discussion, the term "***Non-U.S. Holder***" means a beneficial owner of shares of PHH common stock who or that is not a U.S. Holder or partnership for U.S. federal income tax purposes.

Special rules not discussed below may apply to certain Non-U.S. Holders subject to special tax treatment such as "controlled foreign corporations" or "passive foreign investment companies." Non-U.S. Holders should consult their own tax advisors to determine the U.S. federal, state, local and other tax consequences that may be relevant to them in light of their particular circumstances.

Table of Contents

Any gain realized by a Non-U.S. Holder pursuant to the merger generally will not be subject to U.S. federal income tax unless:

- the gain is effectively connected with a trade or business of such Non-U.S. Holder in the United States (and, if required by an applicable income tax treaty, is attributable to a permanent establishment maintained by such Non-U.S. Holder in the United States), in which case such gain generally will be subject to U.S. federal income tax at rates generally applicable to U.S. persons, and, if the Non-U.S. Holder is a corporation, such gain may also be subject to the branch profits tax at a rate of 30% (or a lower rate under an applicable tax treaty);

- such Non-U.S. Holder is an individual who is present in the United States for 183 days or more in the taxable year of that disposition, and certain other specified conditions are met, in which case such gain will be subject to U.S. federal income tax at a rate of 30% (or a lower rate under an applicable tax treaty); or

- we are or have been a "United States real property holding corporation" (referred to as "***USRPHC***"), at some point during the applicable statutory period, and the Non-U.S. Holder's shares of PHH's common stock represent a "U.S. real property interest" (referred to as "***USRPI***"), under the Foreign Investment in Real Property Tax Act (referred to as "***FIRPTA***").

Under FIRPTA, dispositions of a USRPI by a foreign person are generally subject to U.S. federal income taxation. If any class of stock in a USRPHC is regularly traded on an established securities market, stock of such class generally will be considered a USRPI with respect to a foreign person if such foreign person held, directly or constructively, at any time during the applicable test period, more than 5% of the value of the regularly traded class of stock.

We believe that we have not been a USRPHC during the applicable statutory period.

Information Reporting and Backup Withholding

Payments made in exchange for shares of PHH common stock pursuant to the merger may be subject, under certain circumstances, to information reporting and backup withholding. To avoid backup withholding, a U.S. Holder that does not otherwise establish an exemption should complete and return an IRS Form W-9, certifying under penalties of perjury that such U.S. holder is a "United States person" (within the meaning of the Code), that the taxpayer identification number provided is correct and that such U.S. holder is not subject to backup withholding.

A Non-U.S. Holder may be subject to information reporting and backup withholding on the cash received in exchange for shares of PHH common stock unless the Non-U.S. Holder establishes an exemption, for example, by properly certifying its non-U.S. status on an appropriate version of IRS Form W-8.

Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules may be refunded or credited against a holder's U.S. federal income tax liability, if any, provided that such holder furnishes the required information to the IRS in a timely manner.

No Dissenters' Rights or Rights of Objecting Stockholders

Under our charter and the MGCL, holders of our common stock are not entitled to dissenting stockholders' appraisal rights, rights of objecting stockholders or other similar rights in connection with the merger agreement or the transactions contemplated thereby, including the merger. Subject to the limited circumstances set forth in Section 3-202(d) of the MGCL, the MGCL does not provide for appraisal rights or other similar rights to stockholders of a corporation in connection with a merger of a corporation if the shares of the corporation are listed on the NYSE on the record date for determining stockholders entitled to vote on the transaction. The circumstances of the merger do not satisfy the conditions set forth in Section 3-202(d) of the MGCL that would trigger such appraisal rights or similar rights.

Table of Contents

Delisting and Deregistration of our Common Stock

If the merger is consummated, following the effective time, our common stock will cease trading on the NYSE and will be deregistered under the Exchange Act. As such, we would no longer file periodic reports with the SEC.

Effects on the Company if the Merger is not Completed

If the Merger Proposal is not approved by our stockholders or if the merger is not consummated for any other reason, our stockholders will not receive any payment for their shares of PHH common stock. Instead, PHH will remain a public company, our common stock will continue to be listed and traded on the NYSE and registered under the Exchange Act and we will continue to file periodic reports with the SEC.

Furthermore, if the merger is not consummated, and depending on the circumstances that would have caused the merger not to be consummated, it is likely that the price of our common stock will decline significantly. If that were to occur, it is uncertain when, if ever, the price of our common stock would return to the price at which it trades as of the date of this proxy statement.

Accordingly, if the merger is not consummated, there can be no assurance as to the effect of these risks and opportunities on the future value of your shares of our common stock. If the merger is not consummated, our board of directors will continue to evaluate and review our business operations, assets, operating results, financial condition, prospects and business strategy, among other things, and will make such changes as are deemed appropriate and will continue to evaluate all strategic options to seek to enhance stockholder value. If the Merger Proposal is not approved by our stockholders or if the merger is not consummated for any other reason, there can be no assurance that any other transaction acceptable to PHH will be offered or that our business, prospects or results of operations will not be adversely impacted.

In addition, under specified circumstances, we may be required to pay Ocwen a termination fee of $12,600,000 upon the termination of the merger agreement, as described under *"The Merger Agreement Termination Fee"* beginning on page 82 of this proxy statement.

Interests of our Directors and Executive Officers

In considering the recommendation of our board of directors that you vote to approve the Merger Proposal, you should be aware that aside from their interests as stockholders of PHH, certain of our directors and executive officers may have interests in the merger that are different from, or in addition to, the interests of the holders of our common stock. The members of our board of directors were aware of and considered these interests, among other matters, in evaluating and negotiating the merger agreement and the merger, and in recommending to our stockholders that the Merger Proposal be approved. PHH's stockholders should take these interests into account in deciding whether to vote "**FOR**" the proposal to adopt the merger agreement. These interests are described in more detail below, and certain of them are quantified within the narrative disclosure and the table below. The merger will constitute a "change in control," "change of control" or term of similar meaning for purposes of PHH's executive compensation and benefit plans described below.

Certain Assumptions

Except as otherwise specifically noted, for purposes of describing the potential payments and benefits in this section, the following assumptions were used:

The relevant price per share of shares of our common stock is $11.00, which is the per share merger consideration.

Table of Contents

Solely for purposes of the disclosure in this section, the assumed date of the closing of the merger is April 3, 2018. Each executive officer of PHH employed as of April 3, 2018 experiences a qualifying termination, including a termination by PHH without "cause," resignation by the executive officer for "good reason," or resignation by the executive officer because his employment becomes "non-comparable employment," or term of similar meaning, as such terms are defined in the relevant PHH plans and agreements as in effect on the date hereof, immediately following the assumed closing on April 3, 2018.

Severance

Tier I Severance Plan

PHH maintains an Amended and Restated Tier I Severance Pay Plan, effective May 19, 2016, which we refer to as the "***Tier I Severance Plan,***" that sets forth the severance benefits to which our current executive officers (other than Mr. Stephen P. Staid), including Messrs. Robert B. Crowl, Michael R. Bogansky and Alberino J. Celini, Ms. Madeline Flanagan and Ms. Kathleen A. Williamson are entitled to, and to which our former executive officers Mr. Glen A. Messina, Ms. Kathryn M. Ruggieri, Mr. William F. Brown, and Mr. Leith M. Kaplan became entitled upon entering into Separation and General Release Agreements, subject to their compliance with certain restrictive covenants following their terminations of employment in 2017. The four former executive officers departed from the Company on June 28, 2017, June 30, 2017, December 31, 2017 and December 31, 2017, respectively.

The severance benefits as set forth in the Tier I Severance Plan to which our current executive officers (other than Mr. Staid) are entitled and to which each of Mr. Messina, Ms. Ruggieri and Messrs. Brown and Kaplan became entitled include: salary continuation for one year (except for Mr. Messina who is entitled to receive salary continuation for two years), which runs concurrent with the duration of the non-compete and nonsolicitation provisions contained in restrictive covenant agreements executed as a condition of participation in PHH's long-term incentive plan; 100% of the target amount of the cash incentive bonus award granted to the participant under the Management Incentive Plan for the year in which the qualifying termination occurs, payable over the salary continuation period; outplacement assistance services in an amount not to exceed the annual limitation imposed under Section 402(g) of the Internal Revenue Code for the year of termination ($18,000 in 2017) to be used within 24 months of the termination; and payment of an amount equal to the cost of COBRA coverage for one year (except for Mr. Messina who is entitled to payment of an amount equal to the cost of COBRA coverage for two years).

Employment Agreements

Each of Mr. Robert C. Crowl, who was appointed Chief Executive Officer on June 28, 2017, and Mr. Michael R. Bogansky, who was appointed Chief Financial Officer on March 29, 2017, are party to an employment agreement that governs their respective rights to severance benefits. Each employment agreement provides the right to receive the same severance benefits described above under the Tier I Severance Plan (which, for each, is one year with respect to salary continuation and COBRA coverage) upon a termination by PHH without "cause" or a resignation by the executive for "good reason," in each case, subject to execution of a general release agreement and compliance with certain restrictive covenants.

Tier II Severance Plan

Mr. Staid's right to severance benefits is governed by the PHH Amended and Restated Tier II Severance Pay Plan, effective November 30, 2017, which we refer to as the "***Tier II Severance Plan***". Mr. Staid is our only current executive officer who is not entitled to the severance benefits set forth in

Table of Contents

the Tier I Severance Plan. Under the Tier II Severance Plan, Mr. Staid becomes entitled to certain severance benefits, subject to his execution of a release and compliance with certain restrictive covenants, upon an involuntary termination due to (1) a reduction in PHH's workforce, (2) elimination or discontinuation of his position provided that he is not offered a comparable position, or (3) other circumstances appropriate for the payment of severance as determined in the sole and absolute discretion of the Human Capital and Compensation Committee of our board of directors. The severance benefits to which Mr. Staid would become entitled under the Tier II Severance Plan consist of 26 weeks of salary. The severance benefits payable under the Tier II Severance Plan are not impacted by the merger.

Quantification of Severance Payments Under the Tier I Severance Plan, Tier II Severance Plan and Employment Agreements

See the section entitled "*Interests of Our Directors and Executive Officers Quantification of Potential Payments and Benefits to Our Named Executive Officers in Connection with the Merger*" for an estimate of the value of the severance benefits that would become payable to each of PHH's named executive officers upon a qualifying termination immediately following the merger. Since Mr. Messina, Ms. Ruggieri, Mr. Brown, and Mr. Kaplan incurred a qualifying termination prior to the assumed closing date of April 3, 2018, the merger will have no impact on the severance benefits that they are currently receiving, and no severance amounts are reflected for them. Although the merger will have no impact on Mr. Staid's right to receive severance under the Tier II Severance Plan, an estimate of the value of the severance benefits that would become payable to him under such plan upon a qualifying termination is reflected below. The estimated aggregate value of severance benefits that would become payable to PHH's six current executive officers as a group upon a qualifying termination immediately following the merger based on the assumptions described above under "*Certain Assumptions*" is $3,472,354.

Compensation Granted under PHH 2014 Equity and Incentive Plan

Treatment of Stock Options

All of the PHH stock options held by the executive officers were fully vested and exercisable as of April 3, 2018. Since all of the stock options have a per share exercise price greater than the merger consideration, all of the stock options will be cancelled at the effective time for no consideration or payment.

Time-Based Restricted Stock Units and Time-Based Restricted Cash Units

At the effective time of the merger, pursuant to the merger agreement, each PHH time-based restricted stock unit (whether cash settled or stock settled) and each PHH time-based restricted cash unit award that tracks the value of a share of PHH common stock, including each such award held by a director or executive officer of PHH, that is outstanding as of the effective time will accelerate in full and be cancelled in consideration for the right to receive a cash payment (without interest and less applicable withholding taxes) equal to the product of (1) the number of shares of our common stock subject to such unit and (2) the per share merger consideration. Certain of PHH's current executive officers (none of whom are named executive officers) hold time-based restricted cash units that represent the right to receive $1.00. Such awards will become vested upon a termination by PHH without "cause" or a resignation by the executive for "good reason," following the merger and must be settled within 60 days of such executive officer's termination or resignation.

Table of Contents

Performance-Based Restricted Stock Units

At the effective time of the merger, pursuant to the merger agreement, each PHH performance-based restricted stock unit (whether cash settled or stock settled), including each such award held by an executive officer of PHH, that is outstanding as of the effective time will accelerate in full and be cancelled in consideration for the right to receive a cash payment (without interest and less applicable withholding taxes) equal to the product of (1) the number of shares of our common stock subject to such unit determined based on the actual level of achievement of the applicable performance goals through immediately prior to the effective time of the merger, as reasonably determined by the Human Capital and Compensation Committee of our board of directors, and (2) the per share merger consideration. Based on expected actual performance immediately prior to the effective time of the merger, which is based on the assumed stock price of $11.00, all of the outstanding performance-based restricted stock units will not vest and will be cancelled at the effective time for no consideration or payment.

Restricted Shares

At the effective time of the merger, pursuant to the merger agreement, each share of our common stock that is subject to vesting, repurchase, or other lapse restrictions, all of which are held by directors of PHH, will accelerate in full and be cancelled in consideration for the right to receive a cash payment (without interest and less applicable withholding taxes) equal to the per share merger consideration.

Cash Performance Incentive Awards

At the effective time of the merger, the applicable performance criteria for our executive officers' outstanding cash performance incentive awards granted in 2018 will be considered met. Upon the occurrence of either a termination by PHH without "cause" or the executive officer's resignation for "good reason" following the merger, such cash performance incentive awards (the applicable performance criteria of which will have been considered met in connection with the merger) must be settled within 60 days of such executive officer's termination or resignation.

Quantification of Cash Performance Incentive Awards and Equity-Based Compensation Granted under PHH 2014 Equity and Incentive Plan

See the section entitled "*Interests of Our Directors and Executive Officers Quantification of Potential Payments and Benefits to Our Named Executive Officers in Connection with the Merger*" for an estimate of the value of the unvested cash performance incentive awards and restricted stock units held by each of PHH's named executive officers that would become vested in connection with a qualifying termination of employment following the closing of the merger based on the assumptions described above under "*Certain Assumptions*" and in the footnotes to the table below (including assumptions relating to the level of achievement of the applicable performance criteria). Such section will also include an estimate of payments to be made in connection with the merger to Mr. Messina, Ms. Ruggieri, Mr. Brown, and Mr. Kaplan, each of whom terminated employment with PHH prior to April 3, 2018, in cancellation of outstanding vested equity awards held by each of those former PHH named executive officers. Based on those assumptions, the estimated aggregate value of the unvested restricted stock units and shares of our common stock subject to vesting, repurchase, or other lapse restrictions held by PHH's six non-employee directors that would become vested in connection with the merger, is $147,873, assuming a per share price of $11.00. In addition, the estimated aggregate value of the restricted stock units held by PHH's six non-employee directors that are vested, but that would be cancelled and paid out in connection with the merger is $1,128,127, assuming a per share price of $11.00. None of PHH's six current executive officers, other than Messrs. Crowl and Bogansky, for whom the value of the vesting of such awards is reflected in the table below, hold outstanding unvested restricted stock units that would become vested in connection with the merger. The estimated aggregate

Table of Contents

value of the unvested cash performance incentive awards held by PHH's six current executive officers that would become vested in connection with a qualifying termination of employment immediately following the merger, based on the applicable performance criteria being deemed met in connection with the merger and based on the assumptions described above under " *Certain Assumptions*," is $935,625. The estimated aggregate value of the unvested restricted cash units that represent the right to receive $1.00 held by PHH's six current executive officers (none of whom are named executive officers) that would become vested in connection with a qualifying termination of employment immediately following the merger is $157,150.

Management Incentive Plan

As part of PHH's annual compensation process, PHH grants cash incentive bonuses under the PHH 2018 Management Incentive Plan, which we refer to as the "***MIP***." Under the terms of the MIP and the 2018 awards, the applicable performance criteria will be deemed met at the target level upon the closing of the merger. If an executive officer is terminated without "cause" or resigns for "good reason" following the merger and before such bonuses are paid, then the cash incentive bonuses payable under this MIP will be paid within sixty (60) days of such termination or resignation. Such bonus will be pro-rated to the extent a qualifying termination occurs during the plan year. See the section entitled " *Interests of Our Directors and Executive Officers Quantification of Potential Payments and Benefits to Our Named Executive Officers in Connection with the Merger*" for an estimate of the value of 2018 MIP awards that could become payable to Messrs. Crowl, Bogansky, and Staid upon a qualifying termination immediately following the merger, which will trigger deemed achievement of the applicable performance criteria at target levels. The estimated aggregate value of 2018 MIP awards that could become payable to PHH's six current executive officers upon a qualifying termination immediately following the merger, based on achievement of the applicable performance criteria at target levels and based on the assumptions described above under " *Certain Assumptions*," is $419,010. Mr. Messina, Ms. Ruggieri, Mr. Brown, and Mr. Kaplan did not receive 2018 MIP awards.

Cash Retention Awards

From time to time, PHH awards special cash retention awards to employees that vest based on continued employment with PHH through a specified date. Under the terms of Mr. Staid's 2017 cash retention award, such award will vest and must be settled within 30 days of his involuntary termination due to a job elimination, reduction in force, or group layoff. Mr. Staid's 2017 cash retention award is not impacted by the merger. With respect to cash retention awards granted in 2018, if an executive officer who has received such an award is terminated by PHH without "cause" or the executive officer resigns for "good reason" following the merger, such cash retention award will vest and must be settled within 60 days of such executive officer's termination or resignation. See the section entitled " *Interests of Our Directors and Executive Officers Quantification of Potential Payments and Benefits to Our Named Executive Officers in Connection with the Merger*" for an estimate of the value of cash retention awards that could become payable to Messrs. Crowl, Bogansky, and Staid upon a qualifying termination immediately following the merger. Although the merger will have no impact on the vesting of Mr. Staid's 2017 cash retention award, an estimate of the value of such award that would become payable to him upon a qualifying termination is reflected below. The estimated aggregate value of cash retention awards that could become payable to PHH's six current executive officers upon a qualifying termination immediately following the merger based on the assumptions described above under " *Certain Assumptions*" is $1,168,500. Mr. Messina, Ms. Ruggieri, Mr. Brown, and Mr. Kaplan do not have any outstanding cash retention awards.

Table of Contents

Indemnification and Insurance

Pursuant to the terms of the merger agreement, PHH's non-employee directors and executive officers will be entitled to certain ongoing indemnification and coverage under certain directors' and officers' liability insurance policies following the merger. Such indemnification and insurance coverage is further described in the section entitled "*The Merger Agreement Director and Officer Indemnification and Insurance.*"

Quantification of Potential Payments and Benefits to Our Named Executive Officers in Connection with the Merger

The information set forth in the table below is intended to comply with Item 402(t) of the SEC's Regulation S-K, which requires disclosure of information about certain compensation for each named executive officer of PHH that is based on, or otherwise relates to, the merger. The amounts shown in the table below are estimates based on multiple assumptions that may or may not actually occur or be accurate on the relevant date, including the assumptions described below and in the footnotes to the table, and do not reflect certain compensation actions that may occur before completion of the merger. For purposes of calculating such amounts, the following assumptions were used:

The relevant price per share of the shares of our common stock is $11.00, which is the per share merger consideration.

Solely for purposes of the disclosure in this section, the assumed date of the closing of the merger is April 3, 2018. Each named executive officer of PHH employed as of April 3, 2018 experiences a qualifying termination, including a termination by PHH without "cause," resignation by the named executive officer for "good reason," or resignation by the named executive officer because his employment becomes "non-comparable employment," or term of similar meaning, as such terms are defined in the relevant PHH plans and agreements as in effect on the date hereof, immediately following the assumed closing on April 3, 2018.

Named Executive Officer	Cash ($)(2)	Equity ($)(3)	Perquisites/ Benefits ($)(4)	Total ($)
Robert B. Crowl, Chief Executive Officer	2,224,384	456,126	42,837	2,723,347
Glen A. Messina, former Chief Executive Officer(1)		2,368,421		2,368,421
Michael R. Bogansky, Chief Financial Officer	874,295	223,850	42,837	1,140,982
Stephen P. Staid, Senior Vice President, Servicing	825,093			825,093
William F. Brown, former General Counsel and Corporate Secretary(1)		277,189		277,189
Leith W. Kaplan, former Chief Risk and Compliance Officer(1)		495,429		495,429
Kathryn M. Ruggieri, former Chief Human Resources Officer(1)		298,936		298,936

(1) Glen A. Messina, former Chief Executive Officer, William F. Brown, former General Counsel and Corporate Secretary, Leith W. Kaplan, former Chief Risk and Compliance Officer, and Kathryn M. Ruggieri, former Chief Human Resources Officer, terminated employment on June 28, 2017, December 31, 2017, December 31, 2017 and June 30, 2017, respectively. Since each is already receiving severance pursuant to the terms of his or her Separation and General Release Agreement, the only compensation impacted by the occurrence of the merger is the accelerated payment of outstanding equity awards. Although all of such former named executive officers' outstanding equity awards are fully vested, the table includes the value of payments made in

Table of Contents

cancellation of those outstanding vested equity awards under the PHH 2014 Equity and Incentive Plan in connection with the merger.

(2)

Cash. Includes for Messrs. Crowl and Bogansky (a) salary continuation for one year, (b) 100% of the target amount of the cash incentive bonus award granted to the named executive officer under the MIP, which would be payable over the salary continuation period, (c) pro-rated vesting of the 2018 MIP awards calculated with applicable performance criteria deemed to be achieved at target levels, which would be payable in a lump sum within 60 days of termination, (d) full vesting of the 2018 cash performance incentive awards granted under PHH's 2014 Equity and Incentive Plan, calculated with applicable performance criteria deemed to be achieved at target levels, which would be payable in a lump sum within 60 days of termination, and (e) full vesting of the 2018 cash retention awards, which would be payable in a lump sum within 60 days of termination. The 2018 cash retention award payments are "double-trigger" and vest prior to December 31, 2018 only upon a qualifying termination of employment during the 2018 calendar year following the merger. Includes for Mr. Staid (i) 26 weeks of salary continuation, (ii) pro-rated vesting of his 2018 MIP award calculated with applicable performance criteria deemed to be achieved as target levels, which would be payable in a lump sum within 60 days of termination, (iii) full vesting of his 2018 cash performance incentive award granted under PHH's 2014 Equity and Incentive Plan, calculated with applicable performance criteria deemed to be achieved at target levels, which would be payable in a lump sum within 60 days of termination, (iv) full vesting of the 2017 cash retention award, which would be payable in a lump sum within 30 days of termination, and (v) full vesting of the 2018 cash retention award, which would be payable in a lump sum within 60 days of termination. Although the merger itself will result in the 2018 MIP awards and the 2018 cash performance incentive awards being deemed achieved at target performance levels, such payments are "double-trigger" and vest early only upon a qualifying termination of employment following the merger. Although the merger will have no impact on Mr. Staid's right to receive severance under the Tier II Severance Plan or the vesting of his 2017 cash retention award, the amount of severance he would receive under such plan upon a qualifying termination and the value of his 2017 cash retention award that would vest and become payable upon a qualifying termination are included in the table below. The estimated cash compensation table below reflects no values for Mr. Messina, Ms. Ruggieri, Mr. Brown, and Mr. Kaplan because those individuals already incurred a qualifying termination prior to the merger, are receiving severance benefits consistent with the Tier I Severance Plan and pursuant to their individual Separation and General Release Agreements, and the merger will have no impact on the cash compensation provided thereunder. The estimated amount of each such payment that will vest under the assumptions described above is shown in the following table:

Named Executive Officer	Salary Severance ($)	Bonus Severance ($)	Pro-Rated 2018 MIP ($)	2018 Cash Performance Incentive Award ($)	Cash Retention Award(s) ($)	Total ($)
Robert B. Crowl	575,000	718,750	183,134	373,750	373,750	2,224,384
Glen A. Messina						
Michael R. Bogansky	325,000	178,750	45,545	162,500	162,500	874,295
Stephen P. Staid	172,500		74,718	172,500	405,375	825,093
William F. Brown						
Leith W. Kaplan						
Kathryn M. Ruggieri						

(3)

Equity. Includes, for each of Messrs. Crowl, Bogansky, and Staid, who hold unvested awards, the unvested PHH time-based restricted stock units and unvested PHH performance-based restricted stock units, in each case, that are outstanding as of the assumed closing date of April 3, 2018. The vesting of all such awards will accelerate in full and each award will be cancelled and converted into the right to receive an amount in cash (without interest and subject to applicable withholding

Table of Contents

taxes) equal to the product of (x) the number of shares of our common stock subject to such unit (with respect to PHH performance-based restricted stock units, based on actual performance immediately prior to the effective time of the merger as determined by the Human Capital and Compensation Committee of our board of directors, which, based on the assumed stock price of $11.00, would result in all of the performance-based restricted stock units being valueless), multiplied by (y) the per share merger consideration. In addition, this figure includes the payments made in cancellation of outstanding vested equity awards under the PHH 2014 Equity and Incentive Plan, including those made to previously terminated executive officers, all of which are already vested. Pursuant to the terms of the merger agreement, such vesting and payments are "single-trigger" and will occur as a result of the merger itself. All of the PHH stock options held by the named executive officers were fully vested and exercisable as of April 3, 2018 with exercise prices that exceed the per share merger consideration. Therefore, the merger will have no impact on the vesting of the named executive officers' outstanding PHH stock options and no value is attributed to them. None of the named executive officers have any outstanding time-based restricted cash units that track the value of a share of PHH common stock and no value is attributed to them. The estimated value of the PHH restricted stock units that will vest or become payable under the assumptions described above is shown in the following table:

Named Executive Officer	Performance-Based Restricted Stock Units ($)	Time-Based Restricted Stock Units ($)	Total ($)
Robert B. Crowl		456,126	456,126
Glen A. Messina		2,368,421	2,368,421
Michael R. Bogansky		223,850	223,850
Stephen P. Staid			
William F. Brown		277,189	277,189
Leith W. Kaplan		495,429	495,429
Kathryn Ruggieri		298,936	298,936

(4)

Perquisites/Benefits. Includes (a) outplacement assistance services valued at $18,500 to be used within 24 months of the qualifying termination and (b) payment of an amount equal to the cost of COBRA coverage during the duration of the one-year restricted covenants. Such benefits are "double trigger" and are payable only in connection with a qualifying termination of employment. The estimated perquisites/benefits compensation table below reflects no values for Mr. Messina, Ms. Ruggieri, Mr. Brown, and Mr. Kaplan because those individuals already incurred a qualifying termination prior to the merger, are receiving severance benefits consistent with the Tier I Severance Plan and pursuant to their individual Separation and General Release Agreements, and the merger will have no impact on the perquisites/benefits compensation provided thereunder. None of our named executive officers are entitled to tax reimbursements or gross-ups in connection with the merger. The estimated perquisites/benefits compensation table below reflects no value for Mr. Staid as his entitlement to severance benefits under the Tier II Severance Plan is limited to salary continuation. The estimated value of these benefits is shown in the following table:

Named Executive Officer	Outplacement ($)	COBRA Coverage ($)	Total ($)
Robert B. Crowl	18,500	24,337	42,837
Glen A. Messina			
Michael R. Bogansky	18,500	24,337	42,837
Stephen P. Staid			
William F. Brown			
Leith W. Kaplan			
Kathryn Ruggieri			

Table of Contents

Post-Signing Events

Litigation

On April 17, 2018, a putative class action captioned Lei v. PHH Corporation, et. al., Case No. 1:18-cv-07934 was filed on behalf of the Company's stockholders against the Company and its directors in the United States District Court for the District of New Jersey. The complaint alleges, among other things, that the Company's directors have breached their fiduciary duties by approving the sale of the Company to Ocwen at an inadequate price after an inadequate process. The complaint also alleges that the defendants have violated federal securities laws because the preliminary proxy statement for the merger was materially misleading and omitted certain material facts. The complaint seeks, among other things, an injunction preventing the consummation of the merger and damages in an unspecified amount.

The outcome of this lawsuit is uncertain. The Company believes this lawsuit is without merit.

Ocwen's New CEO Appointment

On April 19, 2018, Ocwen announced that its board of directors has determined to appoint Glen Messina, who had served as the President and Chief Executive Officer of PHH and a director of PHH from January 2012 to June 2017, as the President and Chief Executive Officer of Ocwen, effective upon the consummation of the merger. Ocwen entered into an offer letter with Mr. Messina on April 17, 2018, which offer letter sets forth the terms and conditions of Mr. Messina's employment with Ocwen. Ocwen disclosed that, in the event the effective date of the merger does not occur, the offer letter with Mr. Messina will terminate.

Table of Contents

THE MERGER AGREEMENT

The following is a summary of the material terms and conditions of the merger agreement. This summary does not purport to be complete and may not contain all of the information about the merger agreement that is important to you. The description of the merger agreement in this section and elsewhere in this proxy statement is qualified in its entirety by reference to the complete text of the merger agreement, a copy of which is attached to this proxy statement as Annex A and is incorporated by reference into this proxy statement. We encourage you to read the merger agreement carefully and in its entirety because it is the primary contractual document that governs the merger.

Additional information about PHH and Ocwen may be found elsewhere in this proxy statement and in other public reports and documents filed with the SEC. Please see the section of this proxy statement entitled "Where You Can Find More Information," beginning on page 90.

Explanatory Note Regarding the Merger Agreement

The merger agreement and this summary of its terms have been included to provide you with information regarding the terms of the merger agreement. The merger agreement is not intended to be a source of factual, business or operational information about PHH, Ocwen or Merger Sub, and the following summary of the merger agreement and the copy thereof attached hereto as *Annex A* are not intended to modify or supplement any factual disclosure about PHH in any documents it publicly files with the SEC. The representations, warranties and covenants made in the merger agreement by PHH, Ocwen and Merger Sub were made solely for the benefit of the parties to the merger agreement and are qualified and subject to important limitations agreed to by PHH, Ocwen and Merger Sub in connection with negotiating the terms of the merger agreement. In particular, in your review of the representations and warranties contained in the merger agreement and described in this summary, it is important to bear in mind that the representations and warranties were negotiated with the principal purposes of establishing the circumstances in which a party to the merger agreement may have the right not to close the merger if the representations and warranties of the other party prove to be untrue due to a change in circumstance or otherwise, and allocating risk between the parties to the merger agreement, rather than establishing matters as facts.

The representations and warranties may also be subject to a contractual standard of materiality different from those generally applicable to stockholders and reports and documents filed with the SEC and in some cases were qualified by confidential disclosures that were made by each party to the other, which disclosures are not reflected in the merger agreement. Moreover, information concerning the subject matter of the representations and warranties, which do not purport to be accurate as of the date of this proxy statement, may have changed since the date of the merger agreement, and subsequent developments or new information that may affect the accuracy of a representation or warranty may or may not be fully reflected in this proxy statement or PHH's public disclosures. Accordingly, you should not rely on the representations and warranties as being accurate or complete or characterizations of the actual state of facts as of any specified date.

Effects of the Merger; Directors and Officers; Articles of Incorporation; Bylaws

The merger agreement provides for the merger of Merger Sub with and into PHH upon the terms, and subject to the conditions, set forth in the merger agreement. As the surviving corporation, PHH will continue to exist following the merger as a direct, wholly-owned subsidiary of Ocwen.

The parties have agreed under the merger agreement that, from and after the effective time, the board of directors of Merger Sub immediately prior to the effective time will become the initial directors of the surviving corporation, until their respective successors are duly appointed or until their earlier death, resignation or removal. From and after the effective time, the officers of PHH

Table of Contents

immediately prior to the effective time will become the initial officers of the surviving corporation, until their respective successors are duly appointed or until their earlier death, resignation or removal.

The articles of incorporation of PHH will be amended and restated at the effective time to be in the form of the articles of incorporation of Merger Sub as in effect immediately prior to the effective time (with necessary changes to reflect the name, date of incorporation, registered office and registered agent of PHH), which will be the articles of incorporation of the surviving corporation until thereafter amended in accordance with their terms and applicable law (subject to compliance with requirements in the merger agreement regarding the inclusion of provisions providing for the exculpation and indemnification of and advancement of expenses to PHH's officers, directors and certain other individuals).

At the effective time, the bylaws of PHH will be amended and restated in their entirety to be in the form of the bylaws of Merger Sub as in effect immediately prior to the effective time, and as so amended and restated will be the bylaws of the surviving corporation, until thereafter amended in accordance with their terms, the articles of incorporation of the surviving corporation and applicable law.

Closing and Effective Time of the Merger

Unless the parties otherwise agree, the closing of the merger, which we refer to as the "***closing***," will take place on the third business day following the first date on which the conditions to closing (described in the section of this proxy statement entitled " *Conditions to the Merger*"), other than those conditions that by their nature are to be satisfied only at the closing (but subject to the fulfillment or waiver of those conditions at the closing), have been satisfied or waived.

The merger will become effective at such time as the articles of merger are filed with the State Department of Assessments and Taxation of Maryland, or at such later time as Ocwen and PHH will agree and specify in the articles of merger.

Merger Consideration and Conversion of PHH shares

At the effective time, each share of PHH common stock issued and outstanding immediately prior to the effective time, other than shares owned by Ocwen or Merger Sub (excluding shares held by Ocwen and Merger Sub in mutual funds and the like or otherwise held in a fiduciary or agency capacity, that are beneficially owned by third parties), will be converted into the right to receive $11.00 per share in cash, without interest, which we refer to as the "***merger consideration***," subject to adjustment (if any) as described in the next paragraph.

If at any time during the period between the date of the merger agreement and the effective time, any change in the outstanding shares of PHH common stock occurs as a result of a reclassification, recapitalization, stock split or combination, exchange or readjustment of shares, or any stock dividend with a record date during such period, the merger consideration will be appropriately adjusted to reflect such change. In addition, if PHH pays any cash dividend (subject to Ocwen's prior consent) between the date of the merger agreement and the effective time, the merger consideration will be appropriately adjusted such that the aggregate amount of consideration payable in respect of PHH common stock and equity awards will be reduced by the aggregate amount of such cash dividend.

At the effective time, each share of PHH common stock owned by Ocwen or Merger Sub (excluding shares held by Ocwen and Merger Sub in mutual funds and the like or otherwise held in a fiduciary or agency capacity, that are beneficially owned by third parties) will be canceled without payment of any consideration.

Table of Contents

Exchange and Payment Procedures

At or promptly after the effective time, Ocwen will deposit with a paying agent selected by Ocwen (subject to the consent of PHH), which we refer to as the "***paying agent***," cash in an amount sufficient to pay the aggregate merger consideration payable to holders of our common stock in accordance with the merger agreement. As soon as reasonably practicable after the effective time, the paying agent will mail to each holder of our shares a letter of transmittal in customary form and instructions for use in effecting the surrender of such holder's certificated or uncertificated shares in exchange for payment of the merger consideration. If you are a stockholder of record, you will not be entitled to receive the merger consideration until you have surrendered your stock certificates (or followed the procedures applicable to lost stock certificates) or transferred your uncertificated shares to the paying agent along with a duly executed letter of transmittal.

You should not return your stock certificates with the enclosed proxy card, and you should not forward your stock certificates to the paying agent without a letter of transmittal.

Ocwen, Merger Sub, the surviving corporation (or any of their subsidiaries) and the paying agent will be entitled to deduct and withhold any applicable required taxes from the merger consideration. In the event any amount is deducted or withheld from the merger consideration otherwise payable to any holder of Our common stock (and is paid over to the applicable taxing authorities), that amount will be treated as having been paid to that holder.

At the effective time, the stock transfer books of PHH will be closed and there will be no further registration of transfers of PHH stock in the stock transfer books. On or after the effective time, any certificated or uncertificated shares of PHH common stock presented to the paying agent or the surviving corporation will be cancelled and exchanged for the merger consideration in accordance with the procedures set forth in the merger agreement.

The paying agent will invest the aggregate merger consideration deposited with it as directed by Ocwen in accordance with the terms of the merger agreement. Any interest and other income resulting from any such investments will be paid to the surviving corporation. To the extent that there are losses with respect to such investments or the fund diminishes for other reasons below the level required to make prompt payments of the merger consideration, Ocwen will promptly replace or restore the cash in the fund lost through such investments or other events to ensure that the fund is at all times maintained at a level sufficient to promptly pay the merger consideration.

If any portion of the aggregate merger consideration deposited with the paying agent remains unclaimed by holders of PHH common stock twelve months after the effective time, if requested by Ocwen, the paying agent will deliver such amount to the surviving corporation. Holders of PHH common stock who have not exchanged their shares for the merger consideration will thereafter only look to the surviving corporation for payment of the merger consideration, subject to abandoned property, escheat or similar laws. None of Ocwen, the surviving corporation or the paying agent will be liable to holders of PHH common stock for any amount delivered to a public official pursuant to any abandoned property, escheat or similar laws.

Lost Certificates

If any certificate has been lost, stolen or destroyed, in order to be entitled to receive the merger consideration in respect of such certificate, the person claiming the certificate to be lost, stolen or destroyed must make an affidavit of that fact and, if required by Ocwen or the paying agent, post a bond, in an amount as Ocwen may direct, as indemnity against any claim that may be made against it with respect to such certificate.

Table of Contents

Treatment of Equity Awards

At the effective time, any equity awards of PHH outstanding immediately prior to the effective time will be treated as follows:

Each stock option, whether vested or unvested, that is outstanding immediately prior to the effective time will be cancelled and converted into the right to receive an amount in cash equal to the product of (x) the total number of shares of our common stock subject to such stock option immediately prior to the effective time multiplied by (y) the excess, if any, of $11.00 over the per share exercise price of the stock option, without interest, and subject to any applicable withholding taxes. Since all of the outstanding stock options have a per share exercise price greater than $11.00, all of the stock options will be cancelled at the effective time for no consideration or payment.

Each time-based restricted stock unit (whether cash settled or stock settled) and each time-based restricted cash unit that tracks the value of a share of our common stock, in each case, that is outstanding immediately prior to the effective time will accelerate in full and be cancelled and converted into the right to receive an amount in cash equal to the product of (x) the number of shares of our common stock subject to such unit multiplied by (y) $11.00, without interest and subject to any applicable withholding taxes.

Each performance-based restricted stock unit (whether cash settled or stock settled) that is outstanding immediately prior to the effective time will accelerate in full and be cancelled and converted into the right to receive an amount in cash equal to the product of (x) the number of shares of our common stock subject to such unit based on the actual performance through immediately prior to the effective time, as reasonably determined by the compensation committee of the board of directors of PHH, multiplied by (y) $11.00, without interest and subject to any applicable withholding taxes. Based on expected actual performance immediately prior to the effective time of the merger, which is based on the assumed stock price of $11.00 and will be determined by the Human Capital and Compensation Committee of our board of directors, all of the performance-based restricted stock units will be valueless and will be cancelled at the effective time for no consideration or payment.

Each share of PHH common stock granted under PHH's equity incentive plans that is subject to vesting, repurchase or other lapse restrictions will accelerate in full and be cancelled and converted into the right to receive the merger consideration, without interest and subject to any applicable withholding taxes.

Conditions to the Merger

The respective obligations of PHH, Ocwen and Merger Sub to effect the merger are subject to the satisfaction or waiver on or prior to the effective time of the following conditions:

the approval of the merger by the affirmative vote of the holders of a majority of the total number of shares of our common stock outstanding and entitled to vote on the matter;

the filing of notifications with, or the receipt of consents and approvals from certain governmental authorities or government-sponsored enterprises required for consummate the transactions contemplated by the merger agreement, a list of which is set forth in the confidential disclosure letter delivered by each party to the other party in connection with the merger agreement (we refer to such notifications, consents and approvals as "***required governmental approvals***"), in each case without the imposition of any "burdensome condition" (as defined below in " *Efforts to Obtain Regulatory Approvals*");

Table of Contents

the expiration or termination of the waiting period applicable to the consummation of the merger under the HSR Act (which termination has already occurred); and

the absence of (x) any order, injunction or judgment prohibiting, enjoining or otherwise preventing the consummation of the merger or any of the other transactions contemplated by the merger agreement and (y) any law prohibiting or making illegal the consummation of the merger or any of the other transactions contemplated by the merger agreement.

The obligations of Ocwen and Merger Sub to effect the merger are further subject to the satisfaction or waiver by Ocwen on or prior to the effective time of the following additional conditions:

(i) the representations and warranties of PHH that are qualified by PHH material adverse effect (as defined below in "*Material Adverse Effect*") will be true and correct, (ii) all other representations and warranties of PHH set forth in the merger agreement will be true and correct except where any inaccuracies would not, individually or in the aggregate, constitute a PHH material adverse effect and (iii) notwithstanding anything to the contrary in the foregoing clauses (i) and (ii), (a) the representations and warranties of PHH regarding corporate existence, due authorization and binding effect of the merger agreement, brokers or finders will be true and correct in all material respects, (b) the representations and warranties of PHH regarding PHH's capitalization and the absence of certain changes since September 30, 2017 will be true and correct except for *de minimis* inaccuracies, (c) the representations and warranties of PHH regarding the absence of a PHH material adverse effect since January 1, 2017 will be true and correct in all respects, in each case of (a), (b) and (c) without giving effect to any qualification or limitation as to materiality or PHH material adverse effect, and in each case of (i) through (iii), both as of the date of the merger agreement and as of the closing date as if made on and as of the closing date (except to the extent any such representation or warranty, by its term, is expressly limited to a specific date, in which case such representation and warranty will be so true and correct as of such specific date);

PHH's performance in all material respects of its covenants and agreements in accordance with the merger agreement at or prior to the closing date;

the absence of a PHH material adverse effect since the date of the merger agreement;

the receipt by Ocwen of a certificate signed on behalf of PHH by an executive officer of PHH to the effect that the foregoing conditions have been satisfied;

the consummation of (i) the sale of certain assets of PHH Home Loans to GRA, and (ii) PHH's purchase of Realogy's interests in PHH Home Loans, which we refer to collectively as the "***PHH Home Loans transactions***," (both of these transactions have been completed); and

the completion of PHH's exit from its private label solutions business (the exit will be deemed complete for purposes of this condition if there are less than 100 loans remaining that are being originated by PHH and its subsidiaries for their private label solutions clients). As of the date of this proxy statement, fewer than 10 loans remain that are being originated by PHH and its subsidiaries for their private label solutions clients.

The obligation of PHH to effect the merger is further subject to the satisfaction or waiver by PHH on or prior to the closing date of the following additional conditions:

the representations and warranties of Ocwen and Merger Sub set forth in the merger agreement are true and correct (without giving effect to any qualification or limitation as to materiality or Ocwen material adverse effect (as defined below in "*Material Adverse Effect*"), except where the failure of such representations and warranties to be so true and correct would not, individually or in the aggregate, constitute an Ocwen material adverse effect, in each case both as of the date of the

merger agreement and as of the closing date as if made on and as of the

Table of Contents

closing date (except to the extent that any such representation or warranty, by its terms, is expressly limited to a specific date, such representation and warranty will be so true and correct as of such specified date);

Ocwen's and Merger Sub's performance in all material respects of their covenants and agreements in accordance with the merger agreement at or prior to the closing date; and

the receipt by PHH of a certificate signed on behalf of Ocwen and Merger Sub by an executive officer of Ocwen to the effect that the foregoing conditions have been satisfied.

None of Ocwen, Merger Sub or PHH may rely on the failure of any closing condition to be satisfied to excuse such party from its obligation to effect the merger if such party's breach of the merger agreement or failure to use its reasonable best efforts to consummate the merger or the other transactions contemplated by the merger agreement has been the primary cause of or resulted in the condition of such condition to be satisfied.

Material Adverse Effect

For purposes of the merger agreement, "PHH material adverse effect" means any change, effect, event, occurrence, state of facts or development that (i) has a material adverse effect on the business, financial condition or results of operations of PHH and its subsidiaries taken as a whole (excluding those assets, liabilities, businesses and employees that have been or will be sold, assigned or otherwise transferred to or assumed by the applicable purchasers as a result of the PHH Home Loans transactions or PHH's sale of its portfolio of mortgage servicing rights to New Residential Investment Corp., which we refer to as the "***MSR sale***") or (ii) materially impairs or delays beyond the outside date (as defined below in "*Termination of the Merger Agreement*"), or would reasonably be expected to materially impair or materially delay beyond the outside date, PHH's ability to consummate the transactions contemplated by the merger agreement.

Further, a PHH material adverse effect will be deemed to have occurred if PHH's adjusted net worth is more than $47.5 million below a prescribed amount (which prescribed amount ranges from approximately $393 million to approximately $489 million, depending on the date of measurement) or if PHH fails to maintain a minimum amount of available cash of a prescribed amount (ranging from approximately $293 million to approximately $367 million). The parties have agreed that certain changes in PHH's net worth or cash will be excluded from the determination of adjusted net worth and available cash. For example, if PHH makes any cash dividends or other capital distributions with Ocwen's consent after the date of the merger agreement, the amount of cash used for such capital distribution will not reduce PHH's adjusted net worth or available cash under the merger agreement. For purposes of determining whether the closing condition relating to minimum adjusted net worth or minimum available cash is satisfied, adjusted net worth and available cash will be measured the first day on which all of the closing conditions described above in "*Conditions to the Merger*" (other than those conditions that by their nature are to be satisfied only on the closing date and conditions relating to the receipt of regulatory approvals that Ocwen has to obtain in order to consummate the merger) have been satisfied or, to the extent permitted under applicable law, waived. PHH will be required to deliver its estimates of adjusted net worth and available cash within two business days thereafter. Ocwen has the right to dispute PHH's calculation of the amount of adjusted net worth and available cash (excluding PHH's legal analysis in determining the amount of cash that is distributable under the applicable provisions of Maryland law) and, if PHH and Ocwen are unable to any such dispute, either party may submit the disputed item to a mutually acceptable independent accountant for resolution.

Table of Contents

In determining whether a PHH material adverse effect has occurred for purposes of prong (i) of the definition described above, the following changes and circumstances (and their effects) will be excluded:

- any failure, in and of itself, by PHH and its subsidiaries to meet any internal or published projections, forecasts or revenue or earnings predictions for any period ending on or after the date of the merger agreement (it being understood that the facts or occurrences giving rise to or contributing to such failure may be deemed to constitute, or be taken into account in determining whether there has been or will be, a PHH material adverse effect, except to the extent otherwise excluded under the merger agreement);

- the public announcement or consummation of the transactions contemplated by the merger agreement, including the impact thereof on the relationships (contractual or otherwise) of PHH or any of its subsidiaries with employees, customers, suppliers or partners, and any litigation arising from allegations of any breach of fiduciary duty or violation of law relating to the merger agreement or the transactions contemplated thereby;

- any hurricane, tornado, flood, earthquake or other natural disaster;

- any decline in the market price of PHH common stock;

- any action or omission taken pursuant to the express terms of the merger agreement, with the express prior written consent of Ocwen or Merger Sub, or any action taken by Ocwen or Merger Sub after PHH's disclosure to Ocwen and Merger Sub of all material and relevant facts and information to the knowledge of PHH; or

- certain matters set forth in the confidential disclosure letter delivered by PHH to Ocwen in connection with the merger agreement.

In addition, the following changes and circumstances (and their effects) will be excluded in determining whether a PHH material adverse effect has occurred for purposes of prong (i) of the definition described above, unless any such change or circumstance has a disproportionate impact on PHH and its subsidiaries, taken as a whole, relative to other for-profit participants in the industries in which PHH and its subsidiaries conduct their businesses:

- changes in general economic or political (including results of elections) conditions (including any outbreak or escalation of hostilities or war or any act of terrorism) or changes in the securities, credit or financial markets in general, including changes in interest rates or currency exchange rates;

- changes after the date of the merger agreement that adversely and generally affect the industry in which PHH and its subsidiaries operate; or

- the Tax Reform Act or changes after the date of the merger agreement in laws, statutes, rules or regulations of governmental entities, or interpretations thereof by governmental authorities, applicable to PHH and its subsidiaries, or in U.S. GAAP or applicable accounting regulations or principles.

For purposes of the merger agreement, "Ocwen material adverse effect" means any change, effect, event, occurrence, state of facts or development that would, or would reasonably be expected to, prevent, materially delay beyond the outside date or materially impair the ability of Ocwen or Merger Sub to consummate the merger and the other transactions contemplated by the merger agreement.

Table of Contents

Efforts to Obtain Regulatory Approvals

The merger agreement requires each of the parties to use their respective reasonable best efforts to take (or cause to be taken) all actions and do (or cause to be done) all things necessary, proper or advisable to consummate the merger as soon as practicable, including using reasonable best efforts (i) to obtain all consents, approvals, rulings or authorizations that are required to be obtained under applicable law, (ii) to obtain any consents required from third parties, (iii) to lift or rescind any injunction or restraining order or other order adversely affecting the ability of the parties to consummate the transactions contemplated by the merger agreement, and (iv) to effect as promptly as practicable all necessary registrations, filings and responses to requests (if any) for additional information or documentary material from any governmental authority.

Without limiting the generality of the agreements in the preceding paragraph, Ocwen has agreed to use reasonable best efforts to take (or cause to be taken) all actions and do (or cause to be done) all things that any governmental authority indicates would be required in order to obtain any required governmental approvals or avoid any injunction or law that would enjoin, prevent or prohibit the consummation of the transactions contemplated by the merger agreement; provided, however, nothing in the merger agreement will be deemed to require Ocwen or Merger Sub or permit PHH to take any action, or commit to take any action or agree to any restraint, restriction, limitation, term, requirement, provision or condition that would, individually or in the aggregate, reasonably be expected to, impair in any material respect the business or financial condition of Ocwen and its subsidiaries (including the surviving corporation and its subsidiaries) , taken as a whole (we refer to each such restraint, restriction, limitation, term, requirement, provision or condition as a "burdensome condition"). In addition, nothing in the merger agreement will be construed to require any party to take any action in violation of applicable law or commence any litigation with any governmental authority to oppose any enforcement action by any governmental authority or remove any regulatory orders impeding the parties' ability to consummate the merger.

Subject to applicable laws relating to the exchange of information, Ocwen will have the right to direct all matters with any governmental authority to the extent relating to the required governmental approvals consistent with its obligations under the merger agreement, and PHH may not make any registration, filing or response relating to the required governmental approvals without Ocwen's prior written consent (which will not be unreasonably withheld, conditioned or delayed). Notwithstanding the foregoing, PHH will be able to respond to questions, information requests and other inquiries from any governmental authority without Ocwen's prior written consent as long as such responses do not contain any commitments or agreements that would be binding upon Ocwen or the surviving corporation or is otherwise material to the transactions contemplated the merger agreement that Parent has not consented to previously.

Representations and Warranties

The merger agreement contains representations and warranties made by PHH, Ocwen and Merger Sub to each other. The statements embodied in those representations and warranties were made solely for purposes of the merger agreement and for the benefit of the parties to the merger agreement and are subject to qualifications and limitations agreed to by the parties in connection with negotiating the terms of the merger agreement (including in the confidential disclosure letter delivered by PHH to Ocwen and the confidential disclosure letter delivered by Ocwen and Merger Sub to PHH, in each case in connection with the merger agreement). In addition, some of those representations and warranties were made as of a specific date, may be subject to a contractual standard of materiality different from that generally applicable to stockholders or may have been used for the purpose of allocating risk between the parties to the merger agreement rather than establishing matters as facts.

Table of Contents

The representations and warranties made by PHH (including, in certain cases, with respect to its subsidiaries) to Ocwen and Merger Sub relate to, among other things, the following:

- with respect to PHH and each of its subsidiaries, due incorporation, valid existence, good standing, corporate authority to carry on its business and compliance with organizational documents;
- corporate authority to execute and deliver, to perform PHH's obligations under, and to consummate the transactions contemplated by, the merger agreement;
- the absence of violations of, or conflicts with, organizational documents, applicable law and material contracts as a result of PHH's execution and performance of the merger agreement;
- governmental consents, notifications, approvals, authorizations or registrations required in connection with PHH's execution or performance of the merger agreement;
- due execution of the merger agreement by PHH and the enforceability of the merger agreement against PHH;
- the absence of material legal proceedings, claims and governmental orders;
- compliance with applicable laws, governmental orders and permits, and absence of noncompliance claims by any governmental authority or settlement agreements with governmental authorities;
- capitalization of PHH, ownership of subsidiaries, and the absence of preemptive rights, repurchase, redemption or other rights to acquire equity interests of PHH or its subsidiaries;
- PHH's SEC filings since January 1, 2015 and the financial statements included therein;
- material contracts and the absence of material breach or default under any material contract;
- the absence of any event or change that would reasonably be expected to have a PHH material adverse effect since January 1, 2017;
- the payment of taxes, the filing of tax returns and other tax matters;
- the absence of collective bargaining agreements, union organization activities and other labor matters;
- employee compensation and benefit plans;
- the absence of certain undisclosed liabilities;

intellectual property matters;

policies and procedures regarding protection of personal information;

compliance with environmental laws and other environmental matters;

maintenance of insurance policies;

establishment and maintenance of disclosure controls and procedures and internal controls over financial reporting;

neither PHH nor any of its subsidiaries being an "investment company" under the Investment Company Act of 1940;

title to personal property;

real property leased by PHH or its subsidiaries and the absence of owned real property;

Table of Contents

compliance with applicable requirements relating to the servicing of mortgage loans and the absence of certain claims from agencies, investors or insurers;

the absence of termination notices from PHH's servicing or subservicing clients;

expected timing for the completion of PHH's previously announced asset sale transactions and its exit from the PLS business;

brokers and finders for the transaction;

the information in this proxy statement;

the PHH stockholder vote required for the approval of the merger agreement and the merger;

the inapplicability of state takeover statutes to the merger;

the receipt by our board of directors of an opinion from the Company's financial advisor; and

the absence of undisclosed related party transactions.

The representations and warranties made by Ocwen and Merger Sub to PHH relate to, among other things, the following:

due incorporation, valid existence, good standing and corporate authority to carry on its business;

corporate authority to execute and deliver, to perform Ocwen's and Merger Sub's obligations under, and to consummate the transactions contemplated by, the merger agreement;

the absence of violations of, or conflicts with, organizational documents, applicable law and contractual obligations of Ocwen or Merger Sub as a result of their execution and performance of the merger agreement;

governmental consents, notifications, approvals, authorizations or registrations required in connection with Ocwen's and Merger Sub's execution of the merger agreement or consummation of the transactions contemplated by the merger agreement;

due execution of the merger agreement by Ocwen and Merger Sub and the enforceability of the merger agreement against Ocwen and Merger Sub;

the absence of material legal proceedings, claims and governmental orders;

Ocwen's ownership of Merger Sub and no prior activities of Merger Sub;

no ownership of shares of our common stock by Ocwen or Merger Sub, and no existing contract between Ocwen or Merger Sub with any member of PHH's management or directors that is related to PHH or the transactions contemplated by the merger agreement;

brokers and finders for the transaction;

sufficiency and availability of funds (taking into account available cash held by PHH) at the closing to pay the aggregate merger consideration and all other payment obligations in connection with the merger.

the information in this proxy statement supplied by Ocwen or Merger Sub specifically for inclusion or incorporation by reference into the proxy statement; and

the solvency of Ocwen and its subsidiaries (including the surviving corporation) following the consummation of the merger.

Certain of the representations and warranties of each of PHH, Ocwen and Merger Sub are qualified as to, among other things, "materiality," "PHH material adverse effect" or "Ocwen material

Table of Contents

adverse effect," as applicable. None of the representations and warranties contained in the merger agreement will survive the effective time.

Covenants Relating to the Conduct of Business

Prior to the earlier of the effective time or the termination of the merger agreement in accordance with its terms, except as contemplated by the merger agreement, as Ocwen may otherwise consent in writing (which cannot be unreasonably withheld, conditioned or delayed), or as specified in the confidential disclosure letter delivered by PHH to Ocwen in connection with the merger agreement, PHH and its subsidiaries will conduct their operations in the ordinary course of business consistent with past practice and, subject to certain exceptions, PHH will not, and will cause each of its subsidiaries not to, among other things:

adopt or propose any change to its organizational documents, except as required by applicable law;

issue, reissue, sell, grant, pledge, dispose of, transfer, encumber, purchase or repurchase any capital stock (other than the issuance of shares of our common stock in respect of any equity awards outstanding on the date of the merger agreement) or any securities convertible into capital stock, or any rights, warrants or options to acquire such capital stock or securities;

except as required by any existing compensation or benefits plans or as required by applicable law, (i) increase the compensation or benefits of any director, officer or employee, except for increases in annual salary or wage rate for employees who are not officers in the ordinary course of business consistent with past practice that do not exceed 5% individually or 3% in the aggregate and, if applicable, the payment of annual bonuses for completed periods on a time frame consistent with the payment of annual bonuses with respect to 2016, based on actual performance and in the ordinary course of business consistent with past practice, (ii) establish, adopt, amend, or terminate any compensation or benefit plan, (iii) grant any new awards, or amend or modify the terms of any outstanding awards, under any compensation or benefit plan, (iv) accelerate the vesting or lapsing of restrictions or payment, or fund the payment, of any compensation or benefits, (v) change any actuarial or other assumptions used to calculate funding obligations with respect to any compensation or benefit plan or change the manner of contributions to such plans or the basis on which such contributions are determined, except as may be required by GAAP, (vi) forgive any loans or issue any loans to any director, officer or employee, (vii) hire any employee or engage any independent contractor with an annual compensation in excess of $200,000, (viii) terminate the employment of any executive officer other than for cause, or (ix) grant or amend any rights to indemnification, advancement of expenses or exculpation of liabilities in favor of any director, officer or employee, except for entry into such agreements with new hires or new directors on substantially the same terms and conditions as existing agreements for similarly situated individuals;

enter into, adopt, amend or terminate any collective bargaining agreement or other agreement with a labor union or similar organization;

except for transactions pursuant to existing contractual obligations listed in PHH's disclosure letter or in the ordinary course of business consistent with past practice, sell, lease, encumber, dispose of, transfer, license or mortgage any assets, properties or rights, in each case for consideration in excess of $500,000;

(i) declare, set aside or pay any dividends on, or make any other distributions in respect of any PHH capital stock, (ii) adjust, split, combine or reclassify any of PHH capital stock or issue any other securities or (iii) purchase, repurchase, redeem or otherwise acquire any capital stock of PHH or any of its subsidiaries or any other securities thereof (including bonds) or any rights,

Table of Contents

warrants, options to acquire any such shares or other securities, except for purchases, redemptions or other acquisitions of capital stock or other securities pursuant to an existing restricted stock purchase agreement with current or former employees;

except as required by applicable law or consistent with past practice, make, change or revoke any material tax election, file any material amended tax return, settle or compromise any material tax claim, proceeding or assessment, change any tax accounting method, enter into any closing agreement with respect to taxes, make or surrender any material tax refund claim, or consent to any extension or waiver of the limitations period applicable to any tax claim or assessment;

take any action or omit to take any action or enter into any transaction which, to PHH's knowledge, has, or would reasonably be expected to have, the effect of materially delaying or materially impeding or preventing the consummation of the PHH Home Loans transactions or the MSR sale;

(i) modify or amend any material contract in a manner adverse in any material respect to PHH's business, or terminate any material contract, (ii) enter into any successor agreement to an expiring material contract that changes the terms of the expiring contract in a manner adverse in any material respect to PHH's business or (iii) enter into any new material contract, except subservicing agreements entered into in the ordinary course on terms substantially consistent with existing agreements;

incur any indebtedness for borrowed money in excess of $1,000,000 in the aggregate or issue any debt securities or assume, guarantee or otherwise become responsible for or cancel, the indebtedness of any other person, or make or authorize any material loan to any person;

merge or consolidate with any other person or acquire a material amount of assets or equity of another person (other than immaterial acquisitions of assets in the ordinary course of business consistent with past practice);

except as required by applicable law, change any significant method of accounting or accounting principles or practices, except for such changes required by GAAP;

terminate, cancel, or materially amend or modify any material insurance policy which is not replaced by an amount of insurance coverage that PHH deems appropriate for its size and business;

adopt a plan of complete or partial liquidation, dissolution, restructuring, recapitalization or other reorganization;

abandon, allow to lapse, encumber, or grant a license, covenant not to assert or similar right with respect to any material intellectual property, in each case, other than in the ordinary course of business consistent with past practice;

except as required by applicable law, materially change any of the architecture or infrastructure of any network, information technology infrastructure systems or any material component thereof or any other IT assets currently used in and material to PHH's business, other than maintenance or upgrades in the ordinary course of business consistent with past practice;

institute, compromise, settle or agree to settle any litigation, dispute or other claim (i) involving amounts that exceed the reserve therefor on the date of the merger agreement by more than $7,500,000 in the aggregate or (ii) that would impose any non-monetary obligation on PHH or any of its subsidiaries that would continue after the effective time, other than any obligation to comply with applicable ;aw or refrain from violating applicable law; or

authorize or enter into any agreement or otherwise make any commitment to do any of the actions described above.

Table of Contents

No Solicitation by PHH

PHH has agreed that, subject to certain exceptions described below, it will not, and will use reasonable best efforts to cause its subsidiaries and its or their respective officers, directors, employees and representatives not to, directly or indirectly:

solicit, initiate or knowingly encourage, induce or facilitate (including by way of providing information) any proposal or offer (whether or not in writing) with respect to, or any inquiry or proposal that would reasonably be expected to result in, any (i) merger, consolidation, share exchange, other business combination or similar transaction involving PHH or any of its subsidiaries representing 20% or more of the assets of PHH and its subsidiaries, taken as a whole, (ii) direct or indirect acquisition of more than 20% of the outstanding shares of PHH common stock or voting power of PHH, (iii) sale, lease, contribution or other disposition, directly or indirectly (including by way of merger, consolidation, share exchange, other business combination, partnership, joint venture, sale of capital stock of or other equity interests in PHH or any of its subsidiaries or otherwise) of any business or assets of PHH or any of its subsidiaries representing 20% or more of the consolidated revenues, net income or assets of PHH and its subsidiaries, taken as a whole, (iv) issuance, sale or other disposition, directly or indirectly, to any person (or the stockholders of any person) or group of persons securities (or options, rights or warrants to purchase, or securities convertible into or exchangeable for, such securities) representing 20% or more of the voting power of PHH, (v) any tender offer or exchange offer as a result of which any person or group will acquire, directly or indirectly, beneficial ownership, or the right to acquire beneficial ownership, of 20% or more of the voting power of PHH or (vi) any combination of the foregoing (in each case of (i) through (vi), other than the merger), which we refer to as a "***takeover proposal***";

participate in any discussions or negotiations with any person regarding, or furnish any information with respect to, or cooperate in any way with any person with respect to any takeover proposal or any inquiry or proposal that would reasonably be expected to result in a takeover proposal;

approve or recommend any takeover proposal;

approve, recommend, execute or enter into any letter of intent, agreement in principle, memorandum of understanding, merger agreement, asset or share purchase or share exchange agreement, option agreement or other similar agreement related to any takeover proposal (each such letter, memorandum or agreement is referred to as an "***acquisition agreement***");

enter into any agreement or agreement in principle requiring PHH to abandon, terminate or fail to consummate the transactions contemplated by the merger agreement or breach its obligations thereunder; or

propose or agree to do any of the foregoing.

In addition, PHH has agreed to, promptly after the execution of the merger agreement, immediately cease all existing discussions or negotiations with any person conducted heretofore with respect to any takeover proposal, and request the prompt return or destruction of all confidential information previously furnished to any such person or its representatives.

Notwithstanding the restrictions described above, at any time prior to the approval of the merger by PHH's stockholders, in response to an unsolicited *bona fide* written takeover proposal that did not result from any material breach of the non-solicitation restrictions described above and certain other provisions of the merger agreement, PHH may (i) contact the person making such takeover proposal to clarify the terms and conditions of the takeover proposal and (ii) if our board of directors concludes in

Table of Contents

good faith, after consultation with its outside legal and financial advisors, that such takeover proposal constitutes or is reasonably likely to result in a "superior proposal" (as defined below), PHH may:

- furnish information with respect to PHH and its subsidiaries to the person or group of persons who has made such takeover proposal pursuant to a confidentiality agreement that contains (x) confidentiality terms that are, as determined by PHH in good faith, no less favorable in the aggregate to PHH than those contained in the confidentiality agreement with Ocwen and (y) a customary standstill provision, as long as any material non-public information furnished to such person or group has previously been provided to Ocwen or is provided to Ocwen substantially concurrently with the provision of such information to such person or group; and

- participate in discussions regarding the terms of such takeover proposal and the negotiation of such terms with the person making such takeover proposal.

Under the merger agreement, the term "***superior proposal***" refers to any *bona fide* written takeover proposal made by a third party or group pursuant to which such third party (or, in a parent-to-parent merger involving such third party, the stockholders of such third party) or group would acquire, directly or indirectly, more than 50% of the voting power of PHH or substantially all of the assets of PHH and its subsidiaries, taken as a whole, on terms which our board of directors determines in good faith (after consultation with its legal and financial advisors) (i) to be superior to the holders of PHH common stock from a financial point of view than the transactions contemplated by the merger agreement with Ocwen (taking into account any changes proposed by Ocwen to the terms of the merger agreement) including the merger (including the merger consideration), taking into account all the terms and conditions of such proposal and the person making the proposal (including all financial, regulatory, legal conditions to consummation and other aspects of such proposal), (ii) is reasonably capable of being consummated on the terms proposed and (iii) for which financing, if a cash transaction (whether in whole or in part), is not a condition to closing.

PHH has agreed to promptly notify Ocwen of the receipt of any takeover proposal, including the material terms and conditions thereof and the identity of the person making the proposal. In addition, PHH has agreed to keep Ocwen informed in all material respects and on a reasonably current basis of any change in the status or material terms of any takeover proposal, and provide to Ocwen (as soon as practicable after receipt or delivery thereof) copies of all material correspondence and other written material documentation between PHH or any of its subsidiaries and the person making the takeover proposal.

PHH has agreed that any violation of the non-solicitation obligations by any representative of PHH or any of its subsidiaries who is (i) a director or officer of PHH or any of its subsidiaries, (ii) a senior-level employee (i.e., a managing director (or similar title) or more senior) of any financial advisor to PHH or any of its subsidiaries or (iii) a partner of any outside legal counsel to PHH or any of its subsidiaries will be deemed a breach by PHH.

Adverse Recommendation Change; Fiduciary Termination

PHH has agreed that, subject to certain exceptions as described below, neither our board of directors nor any committee thereof will (i) withdraw or propose to withdraw (or modify or propose to modify in any manner adverse to Ocwen) our board of directors' recommendation of the merger agreement and the transactions contemplated thereby to PHH's stockholders, (ii) approve, recommend or declare advisable, or propose publicly to approve, recommend or declare advisable, any takeover proposal, (iii) approve, recommend or declare advisable, or propose to approve, recommend or declare advisable, or allow PHH or any of its subsidiaries to execute or enter into, any acquisition agreement, (iv) enter into any agreement, letter of intent, or agreement in principle requiring PHH to abandon, terminate or fail to consummate the transactions contemplated by the merger agreement or breach its obligations thereunder, (v) fail to recommend against any takeover proposal subject to federal tender

Table of Contents

offer rules in a Solicitation/Recommendation Statement on Schedule 14D-9 within 10 business days after the commencement of such takeover proposal, (vi) fail to include our board of directors' recommendation of the merger agreement in this proxy statement or re-affirm such recommendation within 10 business days following Ocwen's written request (provided that Ocwen may not make such request more than twice in connection with any takeover proposal), or (vii) resolve or agree to do any of the actions in the foregoing clauses (i) through (vi) (we refer to any of the foregoing actions as an adverse recommendation change).

Notwithstanding the foregoing restrictions, at any time prior to the approval of the merger by PHH's stockholders, subject to compliance with the requirements and procedures described below, our board of directors may, in response to an unsolicited *bona fide* written takeover proposal that did not result from any material breach of the non-solicitation restrictions described above under "*No Solicitation by PHH*" and certain other provisions of the merger agreement, make an adverse recommendation change or terminate the merger agreement to enter into a definitive acquisition agreement with respect to such takeover proposal if our board of directors has determined, after consultation with its outside legal and financial advisors, that such takeover proposal constitutes a superior proposal and that, following consultation with outside legal counsel, the failure to make an adverse recommendation change or terminate the merger agreement is reasonably likely to violate our board of directors' fiduciary duties to PHH's stockholders under applicable law.

In addition, at any time prior to the approval of the merger by PHH's stockholders, subject to compliance with the requirements and procedures described below, our board of directors may make an adverse recommendation change in response to an "intervening event" (as defined below) if our board of directors determines, after consultation with its outside legal counsel, that failure to make an adverse recommendation change is reasonably likely to violate our board of directors' fiduciary duties to PHH's stockholders under applicable law. For purposes of the merger agreement, an "intervening event" refers to any material development or change in circumstances relating to PHH or any of its subsidiaries occurring or arising after the date of the merger agreement that (i) was not known by nor reasonably foreseeable to our board of directors as of the date of the merger agreement, and (ii) does not relate to or involve any takeover proposal; provided, however, that in no event will any of the following be deemed, either alone or in combination, to constitute an interviewing event: (1) changes in the market price or trading volume of PHH common stock, in and of themselves, (2) the timing of any required governmental approval, (3) the dismissal or any other resolution of the CFPB litigation (as defined below under "*CFPB Litigation*") or (4) the fact that, in and of itself, PHH exceeds internal or published projections.

Prior to making any adverse recommendation change in response to a superior proposal or intervening event or terminating the merger agreement in order to accept a superior proposal, PHH is required to comply with the following requirements and procedures:

PHH must give Ocwen at least five business days' prior written notice of its intention to effect an adverse recommendation change or terminate the merger agreement, including (i) in the case of a superior proposal, the details of the terms and conditions of the superior proposal that is the basis of the proposed action, the identity of the person making the superior proposal, and a copy of the proposed transaction agreements and other material documents (in the event of any material change to the terms of the superior proposal, PHH is required to deliver to Ocwen an additional notice and the notice period will restart, except that the notice period will be at least three business days rather than at least five business days) or (ii) in the case of an intervening event, the material facts and circumstances of the intervening event;

during such notice period, to the extent Ocwen seeks to negotiate, PHH must negotiate, and must use reasonable best efforts to cause its financial and legal advisors to negotiate, with Ocwen in good faith to make such adjustments to the terms and conditions of the merger

Table of Contents

agreement so that it results in a transaction that is (i) in the case of a takeover proposal, no less favorable to PHH's stockholders than such takeover proposal or (ii) in the case of an intervening event, enables our board of directors to determine (after consultation with its legal counsel) that failure to make an adverse recommendation change is not reasonably likely to violate our board of directors' fiduciary duties to PHH's stockholders under applicable law; and

following the end of the last notice period, our board of directors is required to determine, (i) in the case of a superior proposal, after consultation with its outside legal and financial advisors, that the takeover proposal continues to constitute a superior proposal or (ii) in the case of an intervening event, after consultation with its outside legal counsel, that the failure to make an adverse recommendation change is still reasonably likely to violate our board of directors' fiduciary duties to PHH's stockholders under applicable law.

Nothing in the merger agreement will prohibit PHH or our board of directors from complying with Rules 14a-9, 14d-9, 14e-2 and Item 1012(a) of Regulation M-A promulgated under the Exchange Act, or from issuing a "stop, look and listen" statement pending disclosure of its position thereunder or making any required disclosure to the PHH's stockholders.

CFPB Litigation

PHH is party to a pending litigation with the Consumer Financial Protection Bureau, which we refer to as the "***CFPB***," relating to an order issued by the CFPB against PHH and certain of its affiliates on June 4, 2015. We refer to this matter as the "CFPB litigation." PHH has agreed that, from the execution of the merger agreement until the effective time, it will (i) reasonably consult with Ocwen at regular intervals regarding the status of the CFPB litigation and in advance of any meeting with the CFPB with respect to the CFPB litigation, (ii) provide Ocwen with a reasonable opportunity to review and comment on material developments in the CFPB litigation, and (iii) consider in good faith all comments reasonably proposed by Ocwen with respect to the CFPB litigation. In addition, PHH has agreed that it will not, without Ocwen's prior consent (not to be unreasonably withheld, conditioned or delayed), (a) file or otherwise commence any appeal in connection with the CFPB litigation or (b) settle or agree to settle the CFPB litigation if such settlement (1) exceeds a specified amount, (2) imposes any restriction on Ocwen's ability to operate PHH's business (as conducted as of the date of the merger agreement) after the effective time (excluding existing restrictions and restrictions on the PLS business or any other business that PHH no longer owns or conducts), (3) imposes any monetary penalty or other obligation on Ocwen or its subsidiaries (excluding the surviving corporation and its subsidiaries) or (4) contains any admission of fault or any non-standard or unusual release language.

Treatment of Existing Indebtedness

In connection with the merger, Ocwen will assume through the surviving corporation PHH's 7.375% Senior Notes due 2019 and 6.375% Senior Notes due 2021, and either pay off or assume PHH's existing warehouse facilities and advance receivables facility. Prior to the effective time, Ocwen will execute and deliver any supplements, amendments or other instruments required for the assumption of the senior notes.

Stockholders' Meeting

PHH has agreed under the merger agreement to hold a special meeting of its stockholders to consider and take action upon approval of the merger as soon as reasonably practicable after this proxy statement is cleared by the SEC. PHH may only adjourn, postpone or recess the special meeting in order to obtain a quorum or solicit additional votes (so long as such meeting is not adjourned, postponed or recessed to a date on or after the outside date).

Table of Contents

Access to Information

During the period prior to the effective time, upon reasonable request and notice by Ocwen and subject to applicable laws relating to exchange of information, PHH will, and will cause its subsidiaries to, afford to Ocwen's officers, employees, accountants, counsel and other representatives access to PHH's properties, books, certain contracts, commitments and records, and to PHH's officers, employees, accounts, counsel and other representatives, in each case in a manner not unreasonably disruptive to the operation of the business of PHH and its subsidiaries.

Without limiting the generality of the foregoing, prior to the determination date for purposes of calculating PHH's adjusted net worth and available cash (see " *Material Adverse Effect*" above), PHH will deliver to Ocwen, no later than the 15th day of each month, a report containing PHH's most current estimate of its adjusted net worth and available cash, in each case as of the last day of the full calendar month immediately preceding the date of such report. After the determination date for purposes of calculating PHH's adjusted net worth and available cash, PHH will deliver to Ocwen, no later than the Wednesday of each calendar week, a report containing PHH most current estimate of available cash as of the last day of the calendar week immediately preceding the date of such report.

Director and Officer Indemnification and Insurance

Under the merger agreement, Ocwen has agreed to indemnify, and to cause the surviving corporation to indemnify, for a period of six years after the closing and to the fullest extent permitted or required by applicable law, each individual who was a director or officer of PHH or any of its subsidiaries prior to the effective time or has served at the request of PHH as a director, officer, member, trustee or fiduciary of another entity prior to the effective time, which we refer to collectively as the "***PHH indemnified parties***," with respect to all claims and liabilities (including attorneys' fees and disbursements) incurred or arising in connection with any claim, action, investigation, suit or proceeding, including with respect to matters existing or occurring or alleged to have existed or occurred at or prior to the effective time (including the merger agreement and the transactions and actions contemplated thereby), arising out of or pertaining to the fact that the PHH indemnified party is or was an officer or director of PHH or any of its subsidiaries or is or was serving at the request of PHH or any of its subsidiaries as a director or officer of another person or any act or omission by such PHH indemnified party while serving in such capacity, whether asserted or claimed prior to, at or after the effective time.

Ocwen has also agreed that all rights to indemnification, advancement of expenses and exculpation from liabilities for acts or omissions occurring at or prior to the effective time in favor of the current or former directors, officers or employees of PHH or any of its subsidiaries as provided in their respective organizational documents or in any indemnification, employment or other similar agreements will survive the merger and continue in full force and effect in accordance with their terms. For a period of six years after the closing, to the fullest extent permitted by applicable law, Ocwen will cause the organizational documents of the surviving corporation and its subsidiaries to contain provisions no less favorable with respect to exculpation and indemnification of and advancement of expenses to the PHH indemnified parties than those set forth in the respective organizational documents as of the date of the merger agreement.

In addition, for a period of six years after the effective time, Ocwen will either cause PHH's current directors' and officers' liability insurance and fiduciary liability insurance to be maintained, or provide substitute policies of not less than the existing coverage and containing terms and conditions that are no less favorable to the covered individuals than the policies currently maintained by PHH with respect to claims arising from facts or events occurring on or before the effective time. In lieu of the foregoing, PHH may, prior to the effective time and upon written notice to Ocwen, purchase a six-year prepaid "tail policy" for PHH's current and former directors and officers (and any individual

Table of Contents

who becomes an officer or director of PHH prior to the effective time) who are currently covered by directors' and officers' and fiduciary liability insurance coverage currently maintained by PHH. The merger agreement provides that in no event will the aggregate annual premium payments for any continuing coverage, substitute policies or "tail policies" exceed 250% of the annual premium paid by PHH for such insurance for the year ended December 31, 2017.

The PHH indemnified parties are third-party beneficiaries of the provisions described above, and such individuals will have the right to enforce the provisions of the merger agreement summarized above.

Employee Matters

Ocwen has agreed that for a period from the effective time through December 31, 2018, it will provide to each continuing employee of PHH and its subsidiaries with (i) an annual base salary or base wage and target annual incentive compensation opportunities (excluding equity and long-term incentive compensation) that are, in each case, no less than those provided to such continuing employee immediately prior to the effective time and (ii) employee benefits that are substantially similar in the aggregate to the employee benefits provided to the continuing employees immediately prior to the effective time. In addition, Ocwen has agreed that from the effective time until the one year anniversary of the closing date of the merger, Ocwen will continue to maintain or cause to be maintained, without amendment, certain of PHH's severance plans and incentive plans with respect to the continuing employees in accordance with the terms thereof, and provide the payments and benefits specified therein.

After the closing of the merger, Ocwen will use reasonable best efforts to cause any employee benefit plans sponsored or maintained by Ocwen or the surviving corporation or their subsidiaries in which the continuing employees are eligible to participate to (i) waive any pre-existing conditions or limitations and eligibility waiting periods under any such plans that are group health plans of Ocwen or its affiliates with respect to the continuing employees and their eligible dependents, (ii) give each continuing employee credit for the plan year in which the effective time occurs towards applicable co-payments, deductibles and annual out-of-pocket limits for medical expenses incurred prior to the effective time for which payment has been made, and (iii) give each continuing employee service credit for his or her employment with PHH and its subsidiaries for purposes of vesting, level of benefits and eligibility to participate under the applicable plan, as if such service had been performed with Ocwen (except for benefit accrual under defined benefit pension plans, for purposes of qualifying for subsidized early retirement benefits, or to the extent it would result in a duplication of benefits). In addition, after the closing of the merger, Ocwen will provide credit to each continuing employee for accrued unused sick leave and/or accrued unused paid time off in the amount available to such continuing employee immediately prior to the effective time, in accordance and subject to the terms of the applicable policy of PHH.

If requested in writing by Ocwen at least 10 business days prior to the effective time (to the extent permitted by applicable law and the terms of the applicable plan or arrangement), PHH will cause its 401(k) plans to be terminated immediately prior to the effective time. In such event, Ocwen will permit each eligible continuing employee to, as of the effective time, become a participant in an Ocwen 401(k) plan and make rollover contributions of "eligible rollover distributions" in cash or notes (in the case of participant loans and to the extent permitted by Ocwen's 401(k) plan) in an amount equal to the eligible rollover distribution portion of the account balance distributed to each such continuing employee from such PHH 401(k) plans to Ocwen's 401(k) plan.

Table of Contents

Other Covenants and Agreements

The merger agreement contains additional agreements between PHH and Ocwen relating to, among other things, the following:

- notifications of certain matters, including any material breach of any representation, warranty, covenant or agreement in the merger agreement;
- preparation of this proxy statement;
- ensuring exemption of certain transactions in connection with the merger under Rule 16b-3 under the Exchange Act;
- ensuring inapplicability of state takeover statutes;
- defense of litigation relating to the merger or other transactions contemplated by the merger agreement; and
- assistance and cooperation with respect to integration planning and Ocwen's post-closing reorganization activities.

Termination of the Merger Agreement

The merger agreement may be terminated and the merger may be abandoned at any time prior to the effective time (notwithstanding any stockholder approval) in the following circumstances:

- by mutual written consent of Ocwen and PHH;
- by either Ocwen or PHH if:
  - the merger has not been consummated on or before September 27, 2018, which we refer to as the "***outside date***," provided that the outside date will be extended to December 27, 2018 if the closing condition relating to the receipt of the required governmental approvals has not been satisfied on September 27, 2018 but all other conditions described under "*Conditions to the Merger*" have been satisfied (or, in the case of conditions that by their terms are to be satisfied at the closing, capable of being satisfied on such date); provided, further, that this right to terminate the merger agreement will not be available to a party that has breached the merger agreement and such breach was the primary cause of the failure to consummate the merger by the outside date;
  - any permanent injunction prohibiting the merger or any of the transactions contemplated by the merger agreement has become effective, final and nonappealable, or any law prohibiting the merger or any of the transactions contemplated by the merger agreement has been enacted, promulgated or enforced by any governmental authority; provided, that the terminating party has complied in all material respects with its obligations described under "*Efforts to Obtain Regulatory Approvals*"; or
- the vote required to adopt the merger agreement is not obtained at the special meeting of PHH stockholders.

In addition, PHH may terminate the merger agreement in the following circumstances:

prior to the approval of the merger by PHH's stockholders, in order to enter into a definitive acquisition agreement with respect to a superior proposal; provided that PHH has complied in all material respects with its obligations described under "*No Solicitation by PHH*" and certain procedures described under "*Adverse Recommendation Change; Fiduciary Termination*" above, and concurrently pays the termination fee to Ocwen as described under "*Termination Fee*" below; or

Table of Contents

there has been a material breach of any representation, warranty, covenant or agreement in the merger agreement by Ocwen or Merger Sub, which breach would give rise to the failure to satisfy a condition to PHH's obligation to consummate the merger, and such failure is not curable or has not been cured within the earlier of the outside date and 30 days following PHH's written notice to Ocwen of such breach; provided that PHH will not have this right to terminate the merger agreement if PHH is then in breach of any representation, warranty, covenant or agreement in the merger agreement that would give rise to the failure to satisfy a condition to Ocwen's and Merger Sub's obligation to consummate the merger.

In addition, Ocwen may terminate the merger agreement in the following circumstances:

prior to the approval of the merger by PHH's stockholders, our board of directors has made an adverse recommendation change; or

there has been a material breach of any representation, warranty, covenant or agreement in the merger agreement by PHH, which breach would give rise to the failure to satisfy a condition to Ocwen's and Merger Sub's obligation to consummate the merger, and such failure is not curable or has not been cured within the earlier of the outside date and 30 days following Ocwen's written notice to PHH of such breach; provided that Ocwen will not have this right to terminate the merger agreement if Ocwen is then in breach of any representation, warranty, covenant or agreement in the merger agreement that would give rise to the failure to satisfy a condition to PHH's obligation to consummate the merger.

If the merger agreement is terminated, it will become void and of no effect with no liability on the part of any party to another party; provided, however, that (i) certain provisions, including those relating to confidentiality, termination fee, governing law and jurisdiction will survive the termination and (ii) no party will be released from liabilities arising out of any willful breach of the merger agreement or fraud.

Termination Fee

PHH will be required to pay a termination fee of $12,600,000 to Ocwen under the following circumstances:

Ocwen terminates the merger agreement as a result of an adverse recommendation change by our board of directors;

PHH terminates the merger agreement in order to enter into a definitive acquisition agreement with respect to a superior proposal;

(i) a third party has publicly announced and not withdrawn a takeover proposal prior to the special meeting of PHH's stockholders to vote on the approval of the merger or the termination of the merger agreement, (ii) PHH or Ocwen terminates the merger agreement due to the failure to obtain the required PHH stockholder approval of the merger agreement or the failure to consummate the merger on or before the outside date, or Ocwen terminates the merger agreement due to a material breach by PHH, and (iii) within 12 months of such termination, PHH consummates a takeover proposal or enters into a definitive acquisition agreement with respect to a takeover proposal that is subsequently consummated (solely for purpose of this provision, any reference to 20% in the definition of takeover proposal will be deemed to refer to 50% instead); or

PHH or Ocwen terminates the merger agreement due to the failure to obtain the required PHH stockholder approval of the merger agreement but, at the time of such termination, Ocwen would also have been permitted to terminate the merger agreement as a result of an adverse recommendation change by our board of directors.

Table of Contents