WMI HOLDINGS CORP.
Form PRE 14A
February 27, 2015
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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the

Securities Exchange Act of 1934,

as amended

Filed by the Registrant x Filed by a Party other than the Registrant ¨

Check the appropriate box:

x Preliminary Proxy Statement

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

¨ Definitive Proxy Statement

¨ Definitive Additional Materials

¨ Soliciting Material under § 240.14a-12

WMI HOLDINGS CORP.

(Name of Registrant as Specified in its Charter)

Not applicable

(Name of Person(s) Filing Proxy Statement if Other Than the Registrant)

Payment by filing fee (check the appropriate box):

x No fee required

¨ 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:

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(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):

(4) Proposed maximum aggregate value of transaction:

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¨ Fee paid previously with preliminary materials

¨ 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 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:

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WMI HOLDINGS CORP.

1201 Third Avenue, Suite 3000

Seattle, Washington 98101

, 2015

To Our Shareholders:

On behalf of the board of directors and management of WMI Holdings Corp. (the Company), you are cordially invited to attend our 2015 Annual Meeting of Shareholders, which will be held on April 28, 2015, beginning at 2:00 p.m., Eastern Time, at the offices of Akin Gump Strauss Hauer & Feld LLP, One Bryant Park, Bank of America Tower, New York, New York 10036. If you plan to attend in person, please arrive at least 30 minutes before the meeting begins in order to check in with security, where you will be asked to present valid picture identification such as a driver s license or passport. You will find details of the business to be conducted at the meeting in the attached formal Notice of Annual Meeting and Proxy Statement. Our directors and executive officers are expected to be present at the annual meeting.

Among the matters to be acted on at the annual meeting are the (1) election of directors, (2) ratification of the appointment of our independent auditors, (3) reincorporation of the Company from the State of Washington to the State of Delaware by merging the Company into a newly formed, wholly-owned Delaware subsidiary; (4) approval and ratification of the 2012 Long-Term Stock Incentive Plan, as amended, and (5) advisory vote on named executive officer compensation.

For the reasons set forth in the Proxy Statement, the board of directors recommends that you vote **FOR** each of the board of director s nominees on Proposal 1 and **FOR** Proposals 2, 3, 4 and 5.

The board of directors has fixed March 5, 2015 as the record date for the annual meeting. Only holders of our common stock, Series A Convertible Preferred Stock and Series B Convertible Preferred Stock of record at the close of business on that date will be entitled to notice of, and to vote at, the annual meeting.

We encourage you to attend the annual meeting in person if convenient for you to do so. If you are unable to attend, it is important that your shares be represented and voted at the annual meeting.

Whether or not you expect to attend the annual meeting, please sign and return the enclosed proxy card promptly. Alternatively, you may give a proxy by telephone or over the Internet by following the instructions on your proxy card or in the Proxy Statement. If you decide to attend the annual meeting, you may, if you wish, revoke the proxy and vote your shares in person.

Sincerely yours,

Michael Willingham
Chairman of the Board

Charles Edward Smith
Interim Chief Executive Officer and Secretary

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE

SHAREHOLDER MEETING TO BE HELD ON APRIL 28, 2015

The Proxy Statement and 2014 Annual Report to Shareholders are available at www.proxyvote.com.

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WMI HOLDINGS CORP.

1201 Third Avenue, Suite 3000

Seattle, Washington 98101

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

To Be Held on April 28, 2015

To the Shareholders of WMI Holdings Corp.:

The 2015 annual meeting (the Annual Meeting) of the shareholders of WMI Holdings Corp. (the Company) will be held on April 28, 2015, at 2:00 p.m., Eastern Time, at the offices of Akin Gump Strauss Hauer & Feld LLP, One Bryant Park, Bank of America Tower, New York, New York 10036 for the following purposes:

1. to elect a board of directors consisting of seven members, each to serve until the next annual meeting of shareholders and until his or her successor is duly elected and qualified;

2. to ratify the appointment of Burr Pilger Mayer, Inc., as our independent registered public accounting firm for the fiscal year ending December 31, 2015;

3. to approve the reincorporation of the Company from the State of Washington to the State of Delaware by merging the Company into a newly formed, wholly-owned Delaware subsidiary;

4. to approve and ratify the Company s 2012 Long-Term Stock Incentive Plan, as amended;

5. to approve, on an advisory basis, compensation of the Company s named executive officers; and

6. to transact such other business as may properly come before the meeting or any adjournments or postponements thereof.

The board of directors of the Company (the board of directors) has fixed the close of business on March 5, 2015 as the record date (the Record Date) for determining shareholders entitled to notice of, and to vote at, the Annual Meeting and any adjournments or postponements thereof. The Proxy Statement, which includes more information about the proposals to be voted on at the Annual Meeting, the proxy card and the 2014 Annual Report to Shareholders accompany this Notice.

Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting. We are mailing to all of our shareholders a notice of availability over the Internet of the proxy materials, rather than mailing a full paper set of these materials. The notice of availability contains instructions on how to access our proxy materials on the Internet, as well as instructions on obtaining a paper copy. This process will significantly reduce our costs to print and

distribute our proxy materials.

Voting via the Internet or by telephone is fast and convenient, and your vote is immediately confirmed and tabulated. If you receive a paper copy of the proxy materials, you may also vote by completing, signing, dating and returning the accompanying proxy card in the enclosed postage-paid return envelope furnished for that purpose, to the extent you have requested a paper copy. By using the Internet or telephone you help the Company reduce postage and proxy tabulation costs.

Your vote is very important. Whether or not you plan to attend the Annual Meeting, you are urged to read the accompanying Proxy Statement and then vote your proxy promptly by telephone, via the Internet or by completing, signing, dating and returning the enclosed proxy card in the postage-paid envelope provided. If you are the beneficial owner or you hold your shares in street name, please follow the voting instructions provided by your bank, broker or other nominee. If you decide to attend the Annual Meeting, you will be able to vote in person, even if you have previously submitted your proxy. However, in order to vote your shares in person at the Annual Meeting, you must be a shareholder of record on the Record Date or hold a legal proxy from your bank, broker or other holder of record permitting you to vote at the Annual Meeting.

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Please do not return the enclosed paper proxy if you are voting via the Internet or by telephone.

VOTE BY INTERNET	VOTE BY TELEPHONE
	(800) 690-6903 via touch tone
http://www.proxyvote.com	phone toll-free
24 hours a day/7 days a week	24 hours a day/7 days a week
Use the Internet to transmit your voting instructions and for electronic delivery of information up until 11:59 p.m. Eastern Time on April 27, 2015. Have your proxy card in hand when you access the website, and follow the instructions to obtain your records and to create an electronic voting instruction form.	Use any touch-tone telephone to transmit your voting instructions up until 11:59 p.m. Eastern Time on April 27, 2015. Have your proxy card in hand when you call and then follow the instructions.

Because a majority of the votes entitled to be cast at the meeting must be represented, either in person or by proxy, to constitute a quorum for the conduct of business, your cooperation is much appreciated.

By Order of the Board of Directors:

Charles Edward Smith

President, Interim Chief Executive Officer,

Interim Chief Legal Officer and Secretary

Seattle, Washington

, 2015

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE SHAREHOLDER MEETING TO BE HELD ON APRIL 28, 2015

The Proxy Statement and 2014 Annual Report to Shareholders are available at www.proxyvote.com.

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WMI HOLDINGS CORP.

1201 Third Avenue, Suite 3000

Seattle, Washington 98101

PROXY STATEMENT

ANNUAL MEETING OF SHAREHOLDERS

To Be Held April 28, 2015

WMI Holdings Corp. is a Washington corporation. As used in this Proxy Statement, the terms WMIHC, the Company, we, us and our refer to WMI Holdings Corp. and the terms board of directors and the board refer t board of directors of WMIHC.

MEETING AND VOTING INFORMATION

Date, Time and Place of Meeting

Our board of directors is furnishing this Notice of Annual Meeting and Proxy Statement and the enclosed proxy card in connection with the board s solicitation of proxies for use at the 2015 annual meeting of the shareholders of WMIHC (the Annual Meeting), and at any adjournments or postponements thereof. The Annual Meeting will be held on April 28, 2015, at 2:00 p.m. Eastern Time, at the offices of Akin Gump Strauss Hauer & Feld LLP, One Bryant Park, Bank of America Tower, New York, New York 10036. These proxy materials, form of proxy and the related 2014 Annual Report to Shareholders (which includes WMIHC s audited financial statements, and the other portions of WMIHC s 2014 Annual Report on Form 10-K, for the fiscal year ended December 31, 2014), and notice of Internet availability of proxy materials, are first being made available to shareholders on , 2015.

We urge you to promptly vote your proxy **FOR** each of the board s nominees on Proposal 1, and **FOR** Proposals 2, 3, 4 and 5, either by telephone, via the Internet, or by completing, signing, dating and returning the enclosed proxy card in the postage-paid envelope provided. By submitting a proxy, you are legally authorizing another person to vote your shares on your behalf. If you vote your proxy by telephone, via the Internet, or submit your executed proxy card by mail, but you do not indicate how your shares are to be voted, then your shares will be voted in accordance with the board s recommendation set forth in this Proxy Statement.

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE SHAREHOLDER MEETING TO BE HELD ON APRIL 28, 2015

The Proxy Statement and 2014 Annual Report to Shareholders are available at www.proxyvote.com

Solicitation and Revocation of Proxies

Shares represented by validly executed proxies will be voted in accordance with instructions contained in the proxies. If no direction is given, proxies will be voted:

FOR each of the director nominees selected by the board of directors;

FOR ratification of the appointment of Burr Pilger Mayer, Inc., as our independent registered public accounting firm for the fiscal year ending December 31, 2015;

FOR approval of the reincorporation of WMIHC from the State of Washington to the State of Delaware by merging WMIHC into a newly formed, wholly-owned Delaware subsidiary;

FOR approval and ratification of the Company s 2012 Long-Term Stock Incentive Plan, as amended (the 2012 Plan); and

FOR the approval, on an advisory basis, of the compensation of our named executive officers.

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If other matters properly come before the Annual Meeting, the persons named in the accompanying proxy will vote in accordance with their judgment with respect to such matters. The board of directors has selected the two persons named in the enclosed proxy card to serve as proxies in connection with the Annual Meeting.

Any proxy given by a shareholder may be revoked at any time prior to its use in one of four ways: (1) by execution of a later-dated proxy delivered to WMIHC s Secretary; (2) by a vote in person at the Annual Meeting; (3) by written notice of revocation delivered to WMIHC s Secretary before the Annual Meeting; or (4) by voting again by telephone or via the Internet. Only the latest validly executed proxy that you submit will be counted.

There are no rights of appraisal or similar rights of dissenters with respect to any of the matters to be acted upon at the Annual Meeting.

Purposes of the Annual Meeting

The Annual Meeting has been called for the following purposes:

1. to elect a board of directors consisting of seven members, each to serve until the next annual meeting of shareholders and until his or her successor is duly elected and qualified;

2. to ratify the appointment of Burr Pilger Mayer, Inc., as our independent registered public accounting firm for the fiscal year ending December 31, 2015;

3. to approve the reincorporation of the Company from the State of Washington to the State of Delaware by merging the Company into a newly formed, wholly-owned Delaware subsidiary;

4. to approve and ratify the Company s 2012 Plan;

5. to approve, on an advisory basis, compensation of the Company s named executive officers; and

6. to transact such other business as may properly come before the meeting or any adjournments or postponements thereof.

Section 2.13 of WMIHC s Amended and Restated Bylaws, as amended on April 1, 2013 (the Washington Bylaws), sets forth certain procedures to be followed for introducing business at a shareholders meeting. WMIHC has no knowledge of any other matters that may be properly presented at the Annual Meeting. If other matters do properly come before the Annual Meeting, or any postponement or adjournment thereof, the persons named in the proxy will vote in accordance with their judgment on such matters in the exercise of their sole discretion.

Record Date and Shares Outstanding

Only shareholders of record at the close of business on March 5, 2015, which is the record date (the Record Date) set by the board of directors, are entitled to notice of, and to vote at, the Annual Meeting and any adjournments or

postponements thereof. At the close of business on the Record Date, 202,343,245 shares of our common stock, 1,000,000 shares of our Series A Convertible Preferred Stock and 600,000 shares of our Series B Convertible Preferred Stock were issued and outstanding. For information regarding the ownership of our common stock, Series A Convertible Preferred Stock and Series B Convertible Preferred Stock by holders of more than five percent of the outstanding shares of WMIHC and by our directors and executive officers, see the Security Ownership of Certain Beneficial Owners and Management section of this Proxy Statement.

Voting; Quorum; Vote Required

At the Annual Meeting, each share of common stock outstanding on the Record Date is entitled to one vote per share, each share of Series A Convertible Preferred Stock outstanding on the Record Date is entitled to one vote per share, on an as-converted basis, and each share of Series B Convertible Preferred Stock is entitled to one

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vote per share, on an as-converted basis. The holders of Series A Convertible Preferred Stock and Series B Convertible Preferred Stock outstanding on the Record Date are entitled to an aggregate of 10,065,629 and 266,666,667 votes, respectively, at the Annual Meeting. Shareholders are not entitled to cumulate their votes. The presence, in person or by proxy, of the holders of a majority of the votes entitled to be cast at the meeting is necessary to constitute a quorum at the Annual Meeting. For purposes of determining whether a quorum exists for the meeting, if you return a proxy and withhold your vote from the election of all directors, your shares will be counted as present.

In connection with the offering of Series B Convertible Preferred Stock by the Company on January 5, 2015 (the Series B Convertible Preferred Stock Offering), the Company entered into usual and customary voting agreements (the Voting Agreements) with KKR Fund Holdings L.P. (KKR Fund) and certain existing significant holders (collectively, the Holder Parties) of the Company s common stock that purchased shares of Series B Convertible Preferred Stock in the Series B Convertible Preferred Stock Offering. Pursuant to the Voting Agreements, the Holder Parties have agreed to vote, as applicable, all of their shares of Series A Convertible Preferred Stock and Series B Convertible Preferred Stock (both, on an as-converted basis) and common stock that they hold in favor of Proposal 3, the reincorporation of WMIHC from the State of Washington to the State of Delaware. The Holder Parties are expected to have, in the aggregate, assuming the non-exercise of any warrants by KKR Management Holdings L.P. (KKR Management), approximately 43% of the outstanding voting power of the Company. If the Holder Parties do not comply with the requirements of the Voting Agreements to vote in favor of Proposal 3, the Company has the right to vote any shares held by any such Holder Party in favor of Proposal 3.

The vote required to approve the proposals to be considered at the Annual Meeting are as follows:

Proposal 1 Election of Directors. The seven nominees for the board of directors receiving the highest number of affirmative votes cast at the meeting, in person or by proxy, will be elected as directors. Election of our board of directors is by a plurality of votes. You may vote FOR the nominees for election as directors, or you may WITHHOLD your vote with respect to one or more nominees.

Proposal 2 Ratification of the Appointment of Independent Registered Public Accounting Firm. Ratification of the appointment of Burr Pilger Mayer, Inc., as our independent registered public accounting firm for the fiscal year ending December 31, 2015 requires that the votes cast FOR the proposal, in person or by proxy, at the Annual Meeting exceed the votes cast AGAINST the proposal at the Annual Meeting. You may vote FOR, AGAINST, or ABSTAIN from the proposal to ratify the appointment of Burr Pilger Mayer, Inc. as our independent registered public accounting firm for the fiscal year ending December 31, 2015.

Proposal 3 Approval to Reincorporate WMI Holdings Corp. from the State of Washington to the State of Delaware. Approval of the reincorporation of WMIHC from the State of Washington to the State of Delaware requires the affirmative vote of a majority of the shares entitled to vote, on an as-converted basis, present at the Annual Meeting, in person or by proxy, and entitled to vote on the proposal at the Annual Meeting. You may vote FOR, AGAINST, or ABSTAIN on the proposal to approve the reincorporation of WMIHC.

Proposal 4 Approval and Ratification of the 2012 Long-Term Stock Incentive Plan, as Amended. Approval and ratification of the Company s 2012 Plan requires that the votes cast FOR the proposal, in person or by proxy, at the Annual Meeting exceed the votes cast AGAINST the proposal at the Annual Meeting. You may vote FOR, AGAINST, or ABSTAIN on the proposal to approve and ratify the 2012 Plan.

Proposal 5 Advisory Approval of Compensation of Named Executive Officers. Approval, on an advisory basis, of the compensation of WMIHC s named executive officers requires that the votes cast FOR the proposal, in person or by proxy, at the Annual Meeting exceed the votes cast AGAINST the proposal at the Annual Meeting. Although the

board of directors will consider the outcome of the vote when making future decisions regarding the compensation of WMIHC s named executive officers, the results of the vote are not binding on WMIHC. You may vote FOR, AGAINST, or ABSTAIN on the proposal to approve, on an advisory basis, the compensation of WMIHC s named executive officers.

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Effect of Abstentions

If you abstain from voting, your shares will be deemed present at the Annual Meeting for purposes of determining whether a quorum is present. Abstentions have no effect on Proposal 1, the election of directors, because directors are elected by a plurality of the votes cast. Abstentions also have no effect on Proposal 2, the ratification of the selection of our independent registered public accounting firm, Proposal 4, the approval and ratification of the 2012 Plan, and Proposal 5, the advisory approval of WMIHC s named executive officer compensation, because approval of each of these proposals requires that votes cast favoring the proposal exceed the votes cast opposing the proposal, and abstentions will not be included in tabulations of votes cast for purposes of determining whether Proposal 2, Proposal 4 or Proposal 5 has been approved. Abstentions will have the same practical effect as votes against Proposal 3, the approval of reincorporation of WMIHC, because the vote of a majority of all votes entitled to be cast is required for that proposal to pass.

Effect of Broker Non-Votes

If a broker holds your shares in street name, you should instruct your broker how to vote. A broker non-vote occurs when a nominee holding shares for a beneficial owner returns a duly executed proxy that does not include any vote with respect to a particular proposal because the nominee did not have discretionary voting power with respect to the matter being considered and did not receive voting instructions from the beneficial owner. Only Proposal 2, the ratification of the selection of our independent registered public accounting firm, is considered a discretionary matter.

Broker non-votes are deemed present at the Annual Meeting for purposes of determining whether a quorum is present, but are not counted as votes cast with respect to the matter on which the broker has not voted. Broker non-votes will have no effect on Proposal 1, the election of directors, because directors are elected by a plurality of the votes cast. Broker non-votes will have no effect on Proposal 2, ratification of the appointment of our independent registered public accounting firm, because brokers or nominees have discretionary authority to vote on this proposal. Broker non-votes will have the same practical effect as votes against Proposal 3, the approval of reincorporation of WMIHC, because the vote of a majority of all votes entitled to be cast is required for that proposal to pass. Broker non-votes will have no effect on Proposal 4, the approval of the 2012 Plan, and Proposal 5, the advisory approval of WMIHC s named executive officer compensation, because approval of each of these proposals requires that votes cast favoring the proposal exceed the votes cast opposing the proposal, and broker non-votes will not be included in tabulations of votes cast for purposes of determining whether Proposal 4 or Proposal 5 has been approved.

We urge you to provide voting instructions to your broker on all voting items.

Costs of Solicitation

WMIHC will bear all costs and expenses associated with this solicitation. In addition to solicitation by mail, directors, officers and employees of WMIHC may solicit proxies from shareholders, personally or by telephone, facsimile or e-mail transmission, without receiving any additional remuneration. WMIHC has asked brokerage houses, nominees and other agents and fiduciaries to forward soliciting materials to beneficial owners of WMIHC s common stock and will reimburse all such persons for their expenses. We intend to retain a proxy solicitation firm to assist in the solicitation of proxies. If we retain a proxy solicitation firm, we will name them in our definitive proxy materials. We anticipate that the costs associated with retaining such a firm will not exceed $15,000 plus out-of-pocket expenses.

Attendance at Meeting

Only shareholders of record or joint holders as of the close of business on the Record Date or a person holding a valid proxy for the Annual Meeting may attend the meeting. If you are not a shareholder of record but hold shares through a bank, broker or nominee (in street name), you should provide proof of beneficial ownership on the Record Date, such as a recent account statement or a copy of the voting instruction card provided by your bank, broker or nominee.

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PROPOSAL 1

ELECTION OF DIRECTORS

WMIHC s Amended and Restated Articles of Incorporation, as amended (the Washington Charter) and Washington Bylaws currently in effect provide that the number of directors that constitute the entire board will be seven. All seven of our current directors, Michael Willingham, Eugene I. Davis, Diane B. Glossman, Timothy R. Graham, Mark E. Holliday, Michael Renoff and Steven D. Scheiwe, each of whom has served as a director of the Company since March 2012, have been recommended for nomination by our Nominating and Corporate Governance Committee and nominated by our board of directors to stand for re-election as directors for an additional one year term to serve until the next annual meeting of shareholders and until their successors are duly elected and qualified.

If for any reason any of these nominees should become unavailable for election (an event the board does not anticipate), proxies will be voted for the election of such substitute nominee as the board in its discretion may recommend. Proxies cannot be voted for more than seven nominees. Directors are re-elected annually to serve until the next annual meeting of shareholders and until their successors are duly elected and qualified. If a vacancy occurs after the Annual Meeting, the board of directors may elect a replacement to serve for the remainder of the unexpired term.

WMIHC has adopted the independence standard of the NASDAQ listing standards for its definition of independence. The Nominating and Corporate Governance Committee has determined that each current director (and nominee for director) is an independent director under Rule 5605(a)(2) of the NASDAQ listing standards, a copy of which is available on WMIHC s website at www.wmiholdingscorp.com.

The board of directors recommends each of the following nominees for director:

MICHAEL WILLINGHAM, (age 44). Since June 2002, Mr. Willingham has been a principal at Willingham Services, which provides consulting advice for a diverse portfolio of clients and constituencies regarding strategic considerations involving complex litigation across a variety of industries, including energy, financial services and varying wholesale/retail products. Mr. Willingham became a director of WMIHC on March 19, 2012 as part of the Seventh Amended Joint Plan of Affiliated Debtors Pursuant to Chapter 11 of the United States Bankruptcy Code, as amended, modified or supplemented (the Bankruptcy Plan). The board has nominated Mr. Willingham for election as a director because of his experience in recovering over $1 billion of value for shareholders, estates and creditors in various bankruptcy cases; negotiating complex financial instruments, including hedging derivatives and credit agreements; and providing consulting services regarding the Sarbanes-Oxley Act of 2002, internal controls and policies. Mr. Willingham is the Chairman of the board, a member of the Audit Committee and Chairman of the Nominating and Corporate Governance Committee. Mr. Willingham is also a member of the Trust Advisory Board and Litigation Subcommittee of WMI Liquidating Trust (the Trust).

EUGENE I. DAVIS, (age 60). Since 1997, Mr. Davis has served as Chairman and Chief Executive Officer of PIRINATE Consulting Group, LLC, a privately held consulting firm specializing in turnaround management, merger and acquisition consulting and hostile and friendly takeovers, proxy contests and strategic planning advisory services for domestic and international public and private business entities. Since forming PIRINATE in 1997, Mr. Davis has advised, managed, sold, liquidated and served as a Chief Executive Officer, Chief Restructuring Officer, Director, Committee Chairman and Chairman of the Board of a number of businesses operating in diverse sectors such as telecommunications, automotive, manufacturing, high-technology, medical technologies, metals, energy, financial services, consumer products and services, import-export, mining and transportation and logistics. Previously, Mr. Davis served as President, Vice Chairman and Director of Emerson Radio Corporation and Chief Executive

Officer and Vice Chairman of Sport Supply Group, Inc. He began his career as an attorney and international negotiator with Exxon Corporation and Standard Oil Company (Indiana)

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and as a partner in two Texas-based law firms, where he specialized in corporate/securities law, international transactions and restructuring advisory. Mr. Davis holds a bachelor s degree from Columbia College, a master of international affairs degree (MIA) in international law and organization from the School of International Affairs of Columbia University, and a Juris Doctorate from Columbia University School of Law. Mr. Davis is also a director of the following public companies: Harbinger Group, Inc., Spectrum Brands, Inc., and U.S. Concrete, Inc. Mr. Davis is a director of ALST Casino Holdco, LLC and Lumenis Ltd., whose common stock is registered under the Securities Exchange Act of 1934, as amended (the Exchange Act), but does not publicly trade. During the past five years, Mr. Davis has also been a director of Ambassadors International, Inc., American Commercial Lines Inc., Atlas Air Worldwide Holdings, Inc., Delta Airlines, Dex One Corp., Foamex International Inc., Footstar, Inc., Global Power Equipment Group Inc., Granite Broadcasting Corporation, GSI Group, Inc., Ion Media Networks, Inc., JGWPT Holdings Inc., Knology, Inc., Media General, Inc., Mosaid Technologies, Inc., Ogelbay Norton Company, Orchid Cellmark, Inc., PRG-Schultz International Inc., Roomstore, Inc., Rural/Metro Corp., SeraCare Life Sciences, Inc., Silicon Graphics International, Smurfit-Stone Container Corporation, Solutia Inc., Spansion, Inc., The Cash Store Financial Services, Inc., Tipperary Corporation, Trump Entertainment Resorts, Inc., Viskase, Inc. (not a public corporation since 2008) and YRC Worldwide, Inc. Mr. Davis became one of our directors on March 19, 2012 and was selected as the FA Director as part of the Bankruptcy Plan. As discussed under Director Relationships, there is no continuing obligation under the Bankruptcy Plan or our Washington Bylaws to have an FA Director. The board has nominated Mr. Davis because of his broad experience as a director of other public companies, including his broad experience with acquisitions and finance. Mr. Davis is Chair of the Corporate Strategy and Development Committee and a member of the Compensation Committee.

DIANE BETH GLOSSMAN, (age 58). Ms. Glossman is a retired investment analyst with over 25 years of experience as an analyst and over a decade of governance experience on boards. In addition to her service on behalf of WMIHC, Ms. Glossman currently serves on the boards of directors of Ambac Assurance Company, Bucks County SPCA, Live Oak Bank and Powa Technologies Group Ltd. She periodically performs consulting projects, primarily for various financial institutions. Previously, Ms. Glossman served on the board of directors of A.M. Todd Company from 1998 to July 2011, and as an independent trustee on State Street Global Advisors mutual fund board from October 2009 to April 2011. Ms. Glossman became a director of WMIHC on March 19, 2012 as part of the Bankruptcy Plan. The board has nominated Ms. Glossman for election as a director because of her experience as an investment analyst, reviewing and forecasting performance for companies in financial services. Ms. Glossman is a member of the Corporate Strategy and Development Committee and Nominating and Corporate Governance Committee.

TIMOTHY R. GRAHAM, (age 65). Mr. Graham currently serves on the boards of directors of Financial Guaranty Insurance Company and The PMI Group. Mr. Graham is the principal at Brookwall, LLC, a privately held restructuring and business advisory firm, since May 2010. During the last five years, Mr. Graham has advised a number of institutional investors with respect to distressed investments relating primarily to monoline insurers, reinsurers and structured investments, served as a restructuring advisor at Triad Mortgage Guaranty Corporation, a mortgage insurance company, and served as President and Chief Restructuring Officer of LaSalle Re Limited, a Bermuda domiciled international catastrophe and casualty reinsurer which completed its successful runoff and closure in 2008. Mr. Graham s prior experience includes acting as an executive and director of several publicly traded companies, a partner and general counsel of a fund focused on media, natural resource and retail investments and chief restructuring officer of several troubled insurance entities appointed to serve at the request of institutional creditors and with the consent of the primary regulators. Mr. Graham was general counsel of an international telecommunications and internet company with licensed operations throughout the United States and in 12 countries from 1994 to 2001. Mr. Graham began his career as an attorney and a member of several law firms where he focused on corporate transactions, creditor rights, general corporate governance, regulatory compliance and securities law issues. Mr. Graham has been a frequent lecturer on legal and business subjects including restructuring of regulated businesses, corporate governance, the cost effective management of external professionals, and has co-authored

several books on foreign entities raising capital under United States securities laws. Mr. Graham became a director of WMIHC on March 19, 2012 and is a member of the Compensation

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Committee. The board has nominated Mr. Graham for election as a director because of his experience with insurance companies, including restructuring national and international insurance operations.

MARK E. HOLLIDAY, (age 46). Mr. Holliday is President of Goshawk Capital Corp., an investment firm which he founded in January 2009, and was a partner at Camden Asset Management, LP (Camden), a fund focused on convertible arbitrage, from 2003 to 2009. Prior to joining Camden, Mr. Holliday was a portfolio manager at Deephaven Capital Management, LLC from 2001 to 2002 and a principal at Heartland Capital Corp. from 1995 to 2000. Mr. Holliday has served as a director and audit committee chairman of FiberTower Corporation, a provider of backhaul transmission services to wireless carriers, since November 2008, and a director of Primus Telecommunications Group Inc., a provider of advanced communication solutions, since May 2011. Mr. Holliday formerly served as director and audit committee chairman of YRC Worldwide, Inc., a provider of transportation and global logistics services, from May 2010 to July 2011. Mr. Holliday formerly served as a director and audit committee chairman of Movie Gallery, Inc., which was the second largest video rental company in the United States, from May 2008 to November 2010, and served as chairman of the board of directors from February 2010 to November 2010, and as a director of Clear One Health Plans from January 2009 to June 2010. Mr. Holliday also previously served as director and audit committee chairman for Assisted Living Concepts, Inc., which operated, owned and leased assisted living residences, from 2002 until its acquisition in 2005, and was chairman of the board and a member of the audit committee for Reptron Electronics, Inc. from 2004 until new equity ownership in 2005. Mr. Holliday also was an audit committee member for Teletrac, Inc. from 1999 to 2001. Mr. Holliday earned a B.A. in economics from Northwestern University. The board has nominated Mr. Holliday for election as a director because of his broad experience in finance and as a director of other public companies and his qualification as an audit committee financial expert. Mr. Holliday is the Chairman of the Audit Committee and is a member of the Nominating and Corporate Governance Committee.

MICHAEL RENOFF, (age 40). Mr. Renoff has served as Senior Analyst of Old Bell Associates, LLC since 2008. Old Bell Associates, LLC is the investment manager to Scoggin Worldwide Distressed Fund LLC, which owns shares in WMIHC. In addition, Old Bell Associates, LLC has an investment management arrangement with Scoggin Capital Management II LLC and Scoggin International Fund Ltd., each of which own shares of WMIHC. Mr. Renoff became a director of WMIHC on March 19, 2012 as part of the Bankruptcy Plan and as part of the Stipulation (described below under the Director Relationships section of this Proxy Statement). The board has nominated Mr. Renoff for election as a director because he is a chartered financial analyst and has over 15 years of investment experience in the financial services industry. Mr. Renoff is a member of the Corporate Strategy and Development Committee.

STEVEN D. SCHEIWE, (age 54). Since 2001 Mr. Scheiwe has been President of Ontrac Advisors, Inc., which offers analysis and management services to private equity groups, privately held companies and funds managing distressed corporate debt issues. Mr. Scheiwe also serves on the board of directors of Hancock Fabrics, Inc., and Alliance Semiconductor Corp. During the last five years he has also served on the board of directors of FiberTower Corporation, Primus Telecommunications Group, Inc., Movie Gallery, Inc. and Inner City Media Corporation. Mr. Scheiwe became a director of WMIHC on March 19, 2012 as part of the Bankruptcy Plan. The board has nominated Mr. Scheiwe for election as a director based on his broad experience serving as a board member of public companies and his qualification as an audit committee financial expert. Mr. Scheiwe chairs the Compensation Committee and is a member of the Audit Committee.

Investor Rights and Observer Agreements

The rights of KKR Fund, as a holder of our Series A Convertible Preferred Stock and warrants to purchase 61,400,000 shares of our common stock (the Warrants), and the rights of any subsequent holder that is an affiliate of KKR Fund (together with KKR Fund, the Holders) are governed by that certain Investor Rights Agreement, dated as of

January 30, 2014 (the Investor Rights Agreement), between us and KKR Fund. Pursuant to the Investor Rights Agreement, for so long as the Holders own, in the aggregate, at least 50% of our Series A Convertible Preferred Stock issued as of January 30, 2014, the Holders will have the right to appoint one of seven directors to our board. As of the date of this Proxy Statement, the Holders have not exercised this right of appointment.

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On March 13, 2014, we entered into an agreement (the Observer Agreement) with KKR Fund and Tagar Olson, Member and Head of Financial Services of Kohlberg Kravis Roberts & Co. L.P. (KKR). Pursuant to the Observer Agreement, KKR Fund was given the right to designate one representative to attend meetings of our board and committees as a non-voting observer. KKR Fund has designated Mr. Olson to serve as its designated observer. In connection with the Observer Agreement, each of KKR and Mr. Olson entered into a confidentiality agreement with us in respect of any information and materials obtained at meetings of our board and committees. Mr. Olson may be excluded from meetings of our board and committees (or portions thereof) pursuant to the terms and conditions of the Observer Agreement, including to the extent such exclusion is necessary to preserve attorney-client privilege, accountant-client privilege or any other available privilege. KKR Fund s right to appoint an observer may be terminated immediately upon the sole determination of a majority of our board.

Director Relationships

As required by the Bankruptcy Plan, and under our Washington Bylaws, one of our directors must be an FA Director (as defined in the Washington Bylaws) for so long as that certain Financing Agreement, dated March 19, 2012, by and among WMIHC, the lenders from time to time party thereto, U.S. Bank National Association, as agent for lenders, and certain other parties thereto (the Financing Agreement), remains in effect. On January 5, 2015, we entered into an agreement for termination of the Financing Agreement, and the Financing Agreement automatically terminated on January 5, 2015. Pursuant to our Washington Bylaws, upon termination of the Financing Agreement, Mr. Davis, who had served as the FA Director, was required to immediately resign from the board of directors. Immediately following his resignation, the board s Nominating and Corporate Governance Committee recommended to the board that it reappoint Mr. Davis and the board reappointed Mr. Davis to fill the vacancy on the board created by his departure on January 5, 2015. The board also reappointed Mr. Davis to fill the vacancies created by his departure from the Compensation Committee and the Corporate Strategy and Development Committee. As there is no continuing obligation to appoint an FA Director, Mr. Davis is being nominated in 2015 based on his qualifications and as discussed above.

Pursuant to that certain Stipulation and Agreement Among the Debtors, the TPS Group, the TPS Consortium, the Official Committee of Equity Security Holders (the Equity Committee), the Creditors Committee, and JPMorgan Chase Bank, N.A. with respect to the Debtors Seventh Amended Plan dated February 16, 2012 and approved by the bankruptcy court (the Stipulation), the Equity Committee agreed to designate a representative of the TPS Funds (as that term is defined in the Stipulation) as one of its designees to the board of directors of the Company and Mr. Renoff was appointed to the board as the TPS Director in the Washington Bylaws. Under the Stipulation and the Washington Bylaws, there are no continuing obligations to appoint a TPS Director. Mr. Renoff is being nominated in 2015 based on his qualifications and as discussed above.

Mr. Willingham is a current member of the Trust Advisory Board and the Litigation Subcommittee of the Trust. Mr. Willingham was selected by the Trust s Equity Committee to serve on the Litigation Subcommittee, which committee is responsible for the prosecution of certain claims by the Trust. The Trust is not considered an affiliate of the Company. However: (a) according to the disclosures by the Trust in its Quarterly Summary Report for the period ended December 31, 2014 and filed under cover of Form 8-K with the Securities and Exchange Commission (the SEC) on February 2, 2015, the Trust holds an aggregate of $211,665 of outstanding 13% Senior First Lien Notes Due 2030 and 13% Senior Second Lien Notes Due 2030 (collectively, the Runoff Notes), including interest accrued thereon, issued by the Company in connection with the Bankruptcy Plan, under an Indenture dated as of March 19, 2012 between WMIHC and Wilmington Trust, National Association, and an Indenture dated as of March 19, 2012 between WMIHC and Law Debenture Trust Company of New York (collectively, the Indentures); (b) to avoid any potential conflict, the Trust s governance procedures require Mr. Willingham to recuse himself from any decision of the Trust Advisory Board that relates to matters involving WMIHC; and (c) any applicable related party transactions

that arise during the life of the Trust will be elevated to the Trust Advisory Board, as required, for further consideration.

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The board of directors unanimously recommends that you vote FOR the election of each of the foregoing nominees for director.

Notwithstanding the foregoing, if Proposal 3 is approved and the reincorporation is effected, then, as more fully described under Proposal 3 Approval to Reincorporate WMI Holdings Corp. from the State of Washington to the State of Delaware Board of Directors: Expected Appointees, the size of the Company s board of directors will be increased from seven to up to 11 members, and it is expected that the board of directors will consist of nine directors and be reconfigured such that Mr. Graham and Mr. Holliday will resign and Mr. Olson and Mr. Raether (each a designee of KKR Fund), and William C. Gallagher and Thomas L. Fairfield, will be appointed to fill the four vacancies. Information regarding each of these individuals is included in Proposal 3.

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PROPOSAL 2

RATIFICATION OF APPOINTMENT OF INDEPENDENT

REGISTERED PUBLIC ACCOUNTING FIRM

The Audit Committee has selected Burr Pilger Mayer, Inc., as WMIHC s independent registered public accounting firm for the fiscal year ending December 31, 2015. Although the appointment of Burr Pilger Mayer, Inc. as WMIHC s independent registered public accounting firm is not required to be submitted to a vote of the shareholders by WMIHC s charter documents or applicable law, the board has decided to ask the shareholders to ratify the appointment. If the shareholders do not ratify the appointment of Burr Pilger Mayer, Inc., the board of directors will ask the Audit Committee to reconsider its selection, but there can be no assurance that a different selection will be made.

For more information regarding WMIHC s independent registered public accounting firm, see the Matters Relating to Our Auditors section of this Proxy Statement.

The board of directors unanimously recommends that you vote FOR ratification of the appointment of Burr Pilger Mayer, Inc. as our independent registered public accounting firm for the fiscal year ending December 31, 2015.

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PROPOSAL 3

APPROVAL TO REINCORPORATE WMI HOLDINGS CORP.

FROM THE STATE OF WASHINGTON TO THE STATE OF DELAWARE

The board of directors has unanimously approved and recommends to the Company s shareholders this proposal to change the Company s state of incorporation from the State of Washington to the State of Delaware. If the Company s shareholders approve this proposal, the Company will accomplish the reincorporation as described below.

The Reincorporation

On January 5, 2015 (the Issue Date), the Company completed the Series B Convertible Preferred Stock Offering, pursuant to which it sold 600,000 shares of its Series B Convertible Preferred Stock for aggregate gross proceeds of $600 million, pursuant to a Purchase Agreement with Citigroup Global Markets Inc. and KKR Capital Markets LLC, an affiliate of KKR Fund and KKR Management. The net proceeds from the Series B Preferred Stock Offering in the amount of $598.5 million were deposited into an escrow account, and, less payments of offering fees and expenses (including fees contingent upon future events) some of which has been released in connection with the issuance of the Series B Convertible Preferred Stock Offering, the deposited funds will be released from escrow to the Company from time to time in amounts needed to finance efforts to explore and fund, in whole or in part, acquisitions. Pursuant to the terms of the Series B Convertible Preferred Stock, the Company will be required to repurchase any or all outstanding shares of Series B Convertible Preferred Stock upon a failure to have, not later than July 5, 2015, the date that is 180 days after the Issue Date, reincorporated from the State of Washington to the State of Delaware.

The reincorporation of the Company from the State of Washington to the State of Delaware, if approved, will be effectuated in accordance with that certain Agreement and Plan of Merger (the Merger Agreement), between the Company and WMIH Corp., a Delaware corporation and a direct wholly owned subsidiary of the Company (Newco), a form of which is attached as Appendix A to this Proxy Statement. Pursuant to the Merger Agreement, the Company would be merged with and into Newco, with the Company ceasing to exist and Newco being the surviving corporation of such merger (the Merger). The consummation of the transactions contemplated by the Merger Agreement, including the Merger and the reincorporation, is conditioned upon the approval by the shareholders of Proposal 3. For more information regarding the process by which the reincorporation is expected to be consummated, see The Reincorporation Process below.

On February 25, 2015, the board of directors (i) determined that the Merger and the reincorporation are advisable and in the best interests of the Company and its shareholders, (ii) approved and declared advisable the Merger Agreement and the consummation of the transactions contemplated thereby, including the Merger and the reincorporation and (iii) submitted to the Company s shareholders the Merger Agreement and the principal terms of the reincorporation for their consideration and approval. The board of directors believes that shareholder approval of the reincorporation provides the following advantages to the Company:

- Delaware corporate law is highly developed and predictable;
- the Company will have access to Delaware s specialized courts for corporate law;

the Company may find it easier to recruit future board members and other leaders;

the Company s ability to raise outside capital may be improved;

the reincorporation may reduce legal fees and administrative burdens; and

the reincorporation will not impact the Company s daily business operations or require relocation of offices.

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Highly Developed and Predictable Corporate Law

The board of directors believes Delaware has one of the most modern statutory corporation laws, which is revised regularly to meet changing legal and business needs of corporations. The Delaware legislature is responsive to developments in modern corporate law and Delaware has proven sensitive to changing needs of corporations and their shareholders. The Delaware Secretary of State is particularly flexible and responsive in its administration of the filings required for mergers, acquisitions and other corporate transactions. Delaware has become a preferred domicile for many major U.S. corporations and the Delaware General Corporations Law (the DGCL) and administrative practices have become comparatively well-known and widely understood. As a result of these factors, it is anticipated that the DGCL will provide greater efficiency, predictability and flexibility in our legal affairs than is presently available under the Revised Code of Washington (RCW).

Access to Specialized Courts

Delaware has a specialized Court of Chancery that hears corporate law cases. As the leading state of incorporation for both private and public companies, Delaware has developed a vast body of corporate law that helps to promote greater consistency and predictability in judicial rulings. In addition, Court of Chancery actions and appeals from Court of Chancery rulings proceed expeditiously. In contrast, Washington does not have a similar specialized court established to hear only corporate law cases. Rather, disputes involving questions of Washington corporate law are either heard by the Washington Superior Court, the general trial court in Washington that hears all types of cases, or, if federal jurisdiction exists, a federal district court.

Easier Recruitment of Future Board Members and Other Leaders

The Company competes for talented individuals to serve on our management team and on our board of directors. The board of directors believes that the better understood and comparatively stable corporate environment afforded by Delaware will enable the Company to compete more effectively with other public and private companies, many of which are incorporated in Delaware, in the recruitment, from time to time, of talented and experienced directors and officers.

Additionally, the parameters of director and officer liability are more extensively addressed in Delaware court decisions and are therefore better defined and better understood than under the RCW. The board of directors believes that reincorporation in Delaware will enhance the Company s ability to recruit and retain directors and officers in the future, while providing appropriate protection for shareholders from possible abuses by directors and officers.

In this regard, it should be noted that directors personal liability is not, and cannot be, eliminated under the DGCL for intentional misconduct, bad faith conduct or any transaction from which the director derives an improper personal benefit.

Improved Ability to Raise Capital

In the opinion of the board of directors, underwriters and other members of the financial services industry may be more willing and better able to assist in capital-raising programs for corporations having the greater flexibility afforded by the DGCL.

Opportunity to Reduce Legal Fees and Administrative Burden

The Company regularly looks for ways to reduce administrative burden and reduce costs. The board of directors expects the familiarity and proliferation of Delaware law to assist in the reduction of administrative burden. The Company also retains separate counsel in Washington to advise on Washington law matters. Upon reincorporation the Company will eliminate the need for such advice. The Company believes that the foregoing benefits are expected to outweigh the additional cost of Delaware s maximum franchise tax assessment

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($180,000) that the Company is expected to be subject to upon reincorporation as compared to the Washington annual report fee of less than $100 per year.

No Impact on Business Locations

The reincorporation will not result in the Company moving headquarters from Washington and will not require relocating the physical location of any of its offices due solely to the reincorporation.

The Reincorporation Process

If the Company s shareholders approve Proposal 3, the Company will merge into Newco. The address and phone number of Newco s principal office will be the same as those of the Company. Prior to the Merger, Newco will have no material assets or liabilities and will not have carried on any business. After the Merger, the Company will cease to exist, and Newco will be the surviving corporation. Following the Merger, Newco will succeed to all of the Company s operations, own all of the Company s assets and assume all of the Company s obligations, and we do not expect any change to financial presentation. The Company s 2012 Plan will be continued by Newco following the Merger.

When the Merger becomes effective, each outstanding share of the Company s common stock, Series A Convertible Preferred Stock and Series B Convertible Preferred Stock will automatically convert into one share of the substantially similar common stock, Series A Convertible Preferred Stock or Series B Convertible Preferred Stock, as applicable, of Newco. At the same time, each outstanding option, right or warrant to acquire shares of the Company s common stock will be converted into an option, right or warrant to acquire an equal number of shares of Newco common stock under the same terms and conditions as the original options, rights or warrants. Furthermore, when the Merger becomes effective, the surviving entity in the merger, Newco, will be governed by the Certificate of Incorporation of Newco (the Delaware Charter) attached to this Proxy Statement as Appendix B and by the Bylaws of Newco (the Delaware Bylaws) attached to this Proxy Statement as Appendix C. The surviving entity will be governed by the DGCL instead of the RCW. The Company s current Washington Charter and Washington Bylaws will not be applicable to Newco upon completion of the Merger, and will cease to have any force or effect following the reincorporation.

Authorized and Outstanding Capital Stock

The Washington Charter currently authorizes the Company to issue (i) up to 500,000,000 shares of its common stock and (ii) up to 5,000,000 shares of preferred stock. Under the Delaware Charter, Newco will be authorized to issue (i) up to 3,500,000,000 shares of its common stock, in order to allow Newco to issue an amount of common stock sufficient to effect a mandatory conversion of all shares of the Series B Convertible Preferred Stock and (ii) up to 10,000,000 shares of preferred stock. The increase in the number of authorized shares of common stock will become effective upon consummation of the Merger and related actions as described above. The additional shares of Newco common stock authorized pursuant to the Delaware Charter will have the same rights as the presently authorized shares of common stock of the Company, including the right to cast one vote per share of common stock. Although the authorization of additional shares will not, in itself, have any effect on the rights of any current holder of the Company s common stock, the future issuance of additional shares of Newco common stock (other than by way of a stock split or dividend) would have the effect of diluting the voting rights and could have the effect of diluting earnings per share and book value per share of existing shareholders.

We plan to use a portion of the additional authorized shares of our common stock for the purpose of issuing shares under the 2012 Plan.

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Corporate Name Following the Reincorporation

Following the reincorporation, the name of the Company will change from WMI Holdings Corp. to WMIH Corp.

Board of Directors: Expected Appointees

If Proposal 3 is approved and the reincorporation is effected, the size of the Company s board of directors will be increased from seven to up to 11 members, and it is expected that the board of directors will consist of nine directors and be reconfigured such that Mr. Graham and Mr. Holliday will resign and Mr. Olson and Mr. Raether (each a designee of KKR Fund), and Mr. Gallagher and Mr. Fairfield, will join the board of directors. Mr. Olson currently serves as an observer to the Board of Directors. Messrs. Gallagher and Fairfield currently serve the Company as consultants who are primarily responsible for deal analysis, and it is anticipated that, if Proposal 3 is approved and the reincorporation is effected, Mr. Gallagher will be appointed as the chief executive officer of the Company and Mr. Fairfield will be appointed to serve as the chief operating officer of the Company. It is also expected that, if Proposal 3 is approved and the reincorporation is effected, Timothy F. Jaeger will continue to serve as the Company s Interim Chief Financial Officer, and that Charles Edward Smith will continue to serve as the Company s Chief Legal Officer and Secretary.

Set forth below is certain biographical information concerning each of Messrs. Olson, Raether, Gallagher and Fairfield.

Tagar C. Olson is anticipated to become a director upon consummation of the reincorporation, and has served as an observer to the board since March 13, 2014. Mr. Olson is a Member of KKR. He joined KKR in 2002, and he currently serves as Head of KKR s financial services industry team. Mr. Olson has played a significant role in KKR s investment activity in the financial services sector over the past decade and currently sits on the boards of directors of Alliant Insurance Services, First Data Corporation, Santander Consumer USA, Sedgwick, Inc. and Visant Corporation and is involved with KKR s investment in Nephila Capital Ltd. Prior to joining KKR, Mr. Olson was with Evercore Partners Inc. starting in 1999, where he was involved in a number of private equity transactions and mergers and acquisitions. Mr. Olson holds a B.S. and B.A.S., summa cum laude, from the University of Pennsylvania.

Paul E. Raether is anticipated to become a director upon consummation of the reincorporation. Mr. Raether is a Member of KKR. He joined KKR in 1980 and oversees KKR s three regional Portfolio Management Committees. Mr. Raether also serves as a member of the Private Markets Valuation and Firm Management Committees. He has played a significant role in numerous portfolio companies including Beatrice Companies, Cole National Corporation, Duracell, Fleet/Bank of New England, IDEX Corporation, KSL Recreation, Masonite International, PT Components, Randall s Food Markets, RJR Nabisco, Seaman Furniture, Shoppers Drug Mart, Stop & Shop Companies, Storer Communications, Inc., Walter Industries and Wometco Enterprises. Prior to joining KKR, Mr. Raether served as an officer in the United States Navy and started his professional career in the Corporate Finance Department of Reynolds Securities. Previously, he was a Vice President in the Corporate Finance Department of Blyth Eastman Dillon & Company. He obtained a B.A. from Trinity College and an M.B.A. from the Amos Tuck School of Business Administration at Dartmouth College. Mr. Raether serves as a director or trustee for several educational and non-profit institutions. He recently retired from the Board of Trinity College in Hartford, CT, after 25 years of service including the last 12 years as Chairman. He also serves as a Trustee of the Board of Overseers of the Tuck School of Business at Dartmouth College and the U.S. Ski and Snowboard Foundation. Mr. Raether is the President of the Institute for Sports Medicine Research in New York.

William C. Gallagher is anticipated to become a director upon consummation of the reincorporation, and has served as a consultant of WMIHC since November 21, 2014. It is also anticipated that Mr. Gallagher will be appointed to

serve as the chief executive officer of the Company. Mr. Gallagher is currently an Executive Vice President and member of the board of directors at Capmark Financial Group Inc. (Capmark). Mr. Gallagher

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served as President and CEO of Capmark from February 2011 to November 2014. He was Executive Vice President and Chief Risk Officer of Capmark from March 2009 to February 2011. Prior to joining Capmark, Mr. Gallagher was the Chief Credit Officer of RBS Greenwich Capital from September 1989 to February 2009.

Thomas L. Fairfield is anticipated to become a director upon consummation of the reincorporation, and has served as a consultant of WMIHC since November 21, 2014. It is also anticipated that Mr. Fairfield will be appointed to serve as the chief operating officer of the Company. Mr. Fairfield is currently an Executive Vice President and member of the board of directors at Capmark. Mr. Fairfield was Chief Operating Officer of Capmark from February 2011 to November 2014. From March 2006 to February 2011, Mr. Fairfield served as Executive Vice President, Secretary and General Counsel of Capmark. Prior to joining Capmark, Mr. Fairfield was a partner at the law firm of Reed Smith LLP from September 2005 to March 2006 and prior to that at Paul, Hastings, Janofsky & Walker LLP from February 2000 to August 2005 and LeBoeuf, Lamb, Greene & MacRae, LLP, from January 1991 to February 2000, where his practice focused primarily on general corporate and securities law, mergers and acquisitions, corporate finance and financial services.

Effective Time

If Proposal 3 is approved, the reincorporation will become effective upon the filing of, or at the later date and time specified in (as applicable), each of the Articles of Merger to be filed with the Secretary of State of Washington in accordance with the RCW and the Certificate of Merger to be filed with the Secretary of State of Delaware in accordance with the DGCL. If the reincorporation is approved, it is anticipated that the board of directors will cause the reincorporation to be effected as promptly as reasonably possible following such approval. However, the reincorporation may be delayed or terminated and abandoned by action of the board of directors at any time prior to the effective time, whether before or after the approval by the Company s shareholders, if the board of directors determines for any reason, in its sole judgment and discretion, that the consummation of the reincorporation should be delayed or would be inadvisable or not in the best interests of the Company and its shareholders, as the case may be.

Regulatory Approval

To the Company s knowledge, the only required regulatory or governmental approvals or filings necessary in connection with the consummation of the reincorporation will be the filing of the Articles of Merger with the Secretary of State of Washington, the filing of the Certificate of Merger with the Secretary of State of Delaware and filings with the SEC under the Exchange Act. A notice filing in respect of the reincorporation was previously made with the Department of Commerce and Consumer Affairs, Insurance Division of the State of Hawaii.

Termination of Note Purchase Agreement

On January 30, 2014, the Company entered into a $150 million Note Purchase Agreement (the Note Purchase Agreement), with the guarantors party thereto and KKR Management. See Certain Relationships and Related Party Transactions Relationship with KKR Note Purchase Agreement. Pursuant to that certain amendment and waiver to the Note Purchase Agreement (the NPA Amendment), dated December 19, 2014, by and among the parties to the Note Purchase Agreement, the Note Purchase Agreement will terminate immediately following the consummation of the reincorporation. Unless and until the reincorporation is consummated, the Note Purchase Agreement will remain in effect, subject to its terms as amended by the NPA Amendment.

Renunciation of Corporate Opportunities

After the reincorporation, our Delaware Charter will provide that we renounce our interest or expectancy in any corporate opportunity in which the holders of our capital stock on the Effective Date (as defined in the

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Delaware Charter) (together with their respective affiliates, the Original Shareholders), KKR or its anticipated director appointees seek to participate unless such opportunity (i) was first presented to KKR s anticipated director appointees solely in their capacity as directors or (ii) is identified by such Original Shareholder, KKR or its anticipated director appointees solely through the disclosure of information by or on behalf of us. None of the Original Shareholders, KKR or its anticipated director appointees are obligated to present us with investment opportunities. We will not be prohibited from pursuing an investment opportunity with respect to which we have renounced our interest or expectancy. See Comparison of Shareholder Rights Before and After the Reincorporation Corporate Opportunities.

Comparison of Shareholder Rights Before and After the Reincorporation

Because of differences between the RCW and the DGCL, as well as differences between the Company s charter and bylaws before and after the reincorporation, the reincorporation will effect some changes in the rights of the Company s shareholders. Summarized below are the most significant differences between the rights of the shareholders of the Company before and after the reincorporation, as a result of the differences among the RCW and the DGCL, the Washington Charter and the Delaware Charter, and the Washington Bylaws and the Delaware Bylaws.

The summary below is not intended to be relied upon as an exhaustive list of all differences or a complete description of the differences between the DGCL and the Delaware Charter and the Delaware Bylaws, on the one hand, and the RCW and the Washington Charter and Washington Bylaws, on the other hand. The summary below is qualified in its entirety by reference to the RCW, the Washington Charter, the Washington Bylaws, the DGCL, the Delaware Charter and the Delaware Bylaws.

Authorized Capital Stock

Delaware Provisions

Upon consummation of the Merger, Newco s authorized capital stock will consist of (i) 3,500,000,000 authorized shares of common stock, $0.00001 par value and (ii) 10,000,000 authorized shares of preferred stock, $0.00001 par value, with 1,000,000 shares of preferred stock designated Series A Convertible Preferred Stock outstanding and 600,000 shares of preferred stock designated Series B Convertible Preferred Stock outstanding. The remaining shares of authorized preferred stock may be designated by the board of directors without shareholder approval. All of the shares of Newco common stock, Series A Convertible Preferred Stock and Series B Convertible Preferred Stock issued in connection with the reincorporation will be validly issued, fully paid and non-assessable.

The holders of Newco common stock will be entitled to one vote for each share on all matters voted on by all of the shareholders, including the election of directors. The holders of Newco common stock will not have any cumulative voting, conversion, redemption or preemptive rights. The holders of Newco common stock will be entitled to such dividends as may be declared from time to time by the Newco board of directors from funds available therefor.

The holders of Newco Series A Convertible Preferred Stock and Newco Series B Convertible Preferred Stock will have rights substantially similar to the rights of the Company s Series A Convertible Preferred Stock and Series B Convertible Preferred Stock as described below.

Washington Provisions

As of the date hereof, the Company s authorized capital stock consists of (i) 500,000,000 authorized shares of common stock, $0.00001 par value and (ii) 5,000,000 authorized shares of preferred stock, $0.00001 par value, with 1,000,000 shares of preferred stock designated Series A Convertible Preferred Stock outstanding and 600,000 shares of preferred

stock designated Series B Convertible Preferred Stock outstanding. The remaining shares of authorized preferred stock may be designated by the board of directors without shareholder approval.

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The holders of the Company s common stock are entitled to one vote for each share on all matters voted on by all of the shareholders, including the election of directors. The holders of the Company s common stock do not have any cumulative voting, conversion, redemption or preemptive rights. The holders of the Company s common stock are entitled to such dividends as may be declared from time to time by the Company s board of directors from funds legally available therefor.

The Series A Convertible Preferred Stock has rights substantially similar to those associated with the Company s common stock, with the exception of a liquidation preference, conversion rights and customary anti-dilution protections. The Series A Convertible Preferred Stock has a liquidation preference equal to the greater of (i) $10.00 per one million shares of Series A Convertible Preferred Stock plus declared but unpaid dividends on such shares and (ii) the amount that the holder would be entitled to in a relevant transaction had the Series A Convertible Preferred Stock been converted to common stock. The Series A Convertible Preferred Stock is convertible at a conversion price of $1.10 per share into shares of common stock either at the option of the holder or automatically upon transfer by KKR Fund to a non-affiliated party. Each share of Series A Convertible Preferred Stock is entitled to one vote per share, and to such dividends as may be declared from time to time by the Company s board of directors from funds legally available therefor, in each case on an as-converted basis, in accordance with the terms and rights contained in the certificate of designation for the Series A Convertible Preferred Stock in the Washington Charter.

The Series B Convertible Preferred Stock carries the right to receive, when, as and if declared by the board of directors, out of funds lawfully available for payment, cumulative regular dividends at an annual rate of 3.00% of the liquidation preference of $1,000 per share of Series B Convertible Preferred Stock, payable quarterly in cash. On each date that the Company closes certain acquisition transactions, the number of outstanding shares of Series B Convertible Preferred Stock having an aggregate liquidation preference equal to the net proceeds of the Series B Convertible Preferred Stock utilized in such acquisition, on a pro rata basis, automatically convert into a number of shares of the Company s common stock equal to the $1,000 liquidation preference amount divided by a conversion price equal to the lesser of (i) $2.25 (the Initial Conversion Price) and (ii) the arithmetic average of daily volume weighted average prices of the common stock during the 20 trading day period ending on the trading day immediately preceding the public announcement by the Company that it has entered into a definitive agreement for such acquisition, subject to a floor of $1.75 per share of the common stock (the Floor Price). The Initial Conversion Price and the Floor Price are both subject to customary anti-dilution adjustments. The holders of the Series B Convertible Preferred Stock will vote on an as-converted basis with the common stock calculated using the Initial Conversion Price.

Number of Directors; Election; Removal; Filling Vacancies

Delaware Provisions

The Delaware Charter and Delaware Bylaws will provide that the maximum number of directors will be 11, or such greater number as may be determined by the board of directors. Delaware law permits corporations to classify their board of directors so that less than all of the directors are elected each year to overlapping terms. The Delaware Charter will not provide for a classified board.

Each director will serve for a term ending on the date of the subsequent annual meeting following the annual meeting at which such director was elected.

Under the DGCL, stockholders may remove one or more directors with or without cause. The Delaware Charter and Delaware Bylaws provide that the stockholders may remove one or more directors with or without cause at a special meeting called for the purpose of removing the director, or at an annual meeting, upon the affirmative vote of the

holders of a majority of the votes entitled to vote for the election of directors. A vacancy on the board of directors, whether created as a result of the removal of a director or resulting from an enlargement of the board of directors, may only be filled by the directors then in office.

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Washington Provisions

The Washington Charter provides that the number of directors shall be seven. The directors are elected by the shareholders at the annual meeting and all directors hold office until their successors are elected and qualified, or until their earlier death, resignation or removal. The RCW permits a corporation to classify its board of directors so that less than all of the directors are elected each year to overlapping terms. The Washington Charter does not provide for a classified board of directors and each director serves for a term ending on the date of the next subsequent annual meeting following the annual meeting at which such director was elected.

Under the RCW, shareholders may remove one or more directors with or without cause unless the articles of incorporation provide that directors may be removed only for cause. The Washington Charter provides that any director may be removed, with or without cause, from office at any time, at a meeting called for that purpose, and only by the affirmative vote of the holders of a majority of the votes entitled to be cast thereon. The Washington Charter provides that a vacancy on the board of directors, whether created as a result of the death, resignation, retirement, disqualification or removal of a director or resulting from an enlargement of the board of directors, may only be filled by the board of directors, or, if the directors then in office constitute less than a quorum of the board, they may fill the vacancy by the affirmative vote of a majority of the directors then in office.

Cumulative Voting for Directors

Delaware Provisions

Delaware law permits cumulative voting if provided in the certificate of incorporation. The Delaware Charter expressly prohibits cumulative voting.

Washington Provisions

Under Washington law, unless the articles of incorporation provide otherwise, shareholders are entitled to use cumulative voting in the election of directors. The Washington Charter expressly prohibits cumulative voting.

Restrictions on Transfer of Securities

Delaware Provisions

The Delaware Charter contains substantially similar transfer restrictions as the Washington Charter.

Washington Provisions

The Washington Charter contains significant transfer restrictions in relation to the transfer of our stock. These transfer restrictions have been adopted in order to protect our ability to utilize significant net operating loss (NOL) carry forwards under and in accordance with regulations promulgated by the Internal Revenue Service. In particular, without the approval of our board of directors, (i) no person will be permitted to acquire, whether directly or indirectly, and whether in one transaction or a series of related transactions, our stock, to the extent that after giving effect to such purported acquisition (a) the purported acquirer or any other person by reason of the purported acquirer s acquisition would become a Substantial Holder (as defined below) of any class of our stock, or (b) the percentage of stock ownership of a person that, prior to giving effect to the purported acquisition, is already a Substantial Holder of the class of stock sought to be acquired would be increased; and (ii) no Substantial Holder may dispose, directly or indirectly, of any shares without the consent of a majority of our board of directors. A Substantial Holder is a person

that owns (as determined for NOL purposes) 4.75 percent of any class of our stock, including any instrument treated as stock for NOL purposes.

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Business Combinations; Interested Transactions

Delaware Provisions

Section 203 of the DGCL provides that, subject to certain exceptions specified therein, a corporation shall not engage in any business combination with any interested shareholder for a three-year period following the date that such shareholder becomes an interested shareholder unless (i) prior to such date, the board of directors of the corporation approved either the business combination or the transaction which resulted in the shareholder becoming an interested shareholder, (ii) upon consummation of the transaction which resulted in the shareholder becoming an interested shareholder, the interested shareholder owned at least 85% of the voting stock of the corporation outstanding at the time the transaction commenced (excluding shares held by directors who are also officers and employee stock purchase plans in which employee participants do not have the right to determine confidentially whether plan shares will be tendered in a tender or exchange offer) or (iii) on or subsequent to such date, the business combination is approved by the board of directors of the corporation and by the affirmative vote at an annual or special meeting, and not by written consent, of at least 66 2/3% of the outstanding voting stock which is not owned by the interested shareholder. Except as specified in Section 203 of the DGCL, an interested shareholder is defined to include (a) any person that is the owner of 15% or more of the outstanding voting stock of the corporation or is an affiliate or associate of the corporation and was the owner of 15% or more of the outstanding voting stock of the corporation, at any time within three years immediately prior to the relevant date, and (b) the affiliates and associates of any such person.

Under certain circumstances, Section 203 of the DGCL may make it more difficult for a person who would be an interested shareholder to effect various business combinations with a corporation for a three-year period, although the corporation s certificate of incorporation or shareholders may elect to exclude a corporation from the restrictions imposed thereunder. The Delaware Charter does not exclude Newco from the restrictions imposed under Section 203 of the DGCL. It is anticipated that the provisions of Section 203 of the DGCL may encourage companies interested in acquiring Newco to negotiate in advance with the Newco s board of directors, since the shareholder approval requirement would be avoided if a majority of the directors then in office approve either the business combination or the transaction which results in the shareholder becoming an interested shareholder.

Washington Provisions

Washington law imposes restrictions on certain transactions between a Washington publicly-traded corporation and certain significant shareholders. Chapter 23B.19 of the RCW prohibits a target corporation, with certain exceptions, from engaging in certain significant business transactions with an acquiring person who acquires 10% or more of the voting securities of a target corporation for a period of five years after such acquisition, unless the transaction or acquisition of shares is approved by a majority of the members of the target corporation s board of directors prior to the date of the acquisition or, at or subsequent to the date of the acquisition, the transaction is approved by a majority of the members of the target corporation s board of directors and authorized at a shareholders meeting by the vote of at least two-thirds of the outstanding voting shares of the target corporation, excluding shares owned or controlled by the acquiring person. The prohibited transactions include, among others, a merger or consolidation with, disposition of assets to, or issuance or redemption of stock to or from, the acquiring person, termination of 5% or more of the employees of the target corporation as a result of the acquiring person s acquisition of 10% or more of the shares, or allowing the acquiring person to receive any disproportionate benefit as a shareholder. After the five-year period during which significant business transactions are prohibited, certain significant business transactions may occur if certain fair price criteria or shareholder approval requirements are met. Target corporations include all publicly-traded corporations incorporated under Washington law, as well as publicly traded foreign corporations that meet certain requirements.

In contrast to the comparable provisions under Delaware law, a Washington publicly-traded corporation is not permitted to exclude itself from these restrictions through a statement to that effect in its charter documents.

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Corporate Opportunities

Delaware Provisions

After the reincorporation, our Delaware Charter will provide that we renounce our interest or expectancy in any corporate opportunity in which the Original Shareholders, KKR or its anticipated director appointees seek to participate unless such opportunity (i) was first presented to KKR s anticipated director appointees solely in their capacity as directors or (ii) is identified by such Original Shareholder, KKR or its anticipated director appointees solely through the disclosure of information by or on behalf of us. None of the Original Shareholders, KKR or its anticipated director appointees are obligated to present us with investment opportunities. We will not be prohibited from pursuing an investment opportunity with respect to which we have renounced our interest or expectancy.

Washington Provisions

Our Washington Charter provides that we renounce our interest or expectancy in any corporate opportunity the Original Shareholders have knowledge of or utilize. Such Original Shareholders have the right, to the fullest extent permitted by law, to utilize such corporate opportunity and will not be held liable to us, to the fullest extent permitted by law, for doing so. However, we do not renounce opportunities expressly offered to Original Shareholders who are our directors or officers in their capacity as our directors or officers.

Limitation of Liability of Directors

Delaware Provisions

The DGCL permits a corporation to include a provision in its certificate of incorporation eliminating or limiting the personal liability of a director to the corporation or its shareholders for damages for certain breaches of the director s fiduciary duty. However, no such provision may eliminate or limit the liability of a director: (i) for any breach of the director s duty of loyalty to the corporation or its shareholders; (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law; (iii) for declaration of unlawful dividends or illegal redemptions or stock repurchases; or (iv) for any transaction from which the director derived an improper personal benefit.

The Delaware Charter provides that a director will not be personally liable to the corporation or its shareholders for monetary damages for breach of fiduciary duty as a director, except for liability (i) for any breach of the director s duty of loyalty to the corporation or its shareholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law (iii) under Section 174 of the DGCL, which concerns unlawful payments of dividends, stock purchases or redemptions, or (iv) for any transaction from which the director derived an improper personal benefit. While these provisions provide directors with protection from awards for monetary damages for breaches of their duty of care, they do not eliminate such duty. Accordingly, these provisions will have no effect on the availability of equitable remedies such as an injunction or rescission based on a director s breach of his or her duty of care.

Washington Provisions

The RCW permits a corporation to include in its articles of incorporation provisions that eliminate or limit the personal liability of a director to the corporation or its shareholders for monetary damages for conduct as a director, provided that such provisions may not eliminate or limit the liability of a director for acts or omissions that involve (i) intentional misconduct by the director or a knowing violation of law by a director, (ii) liability for unlawful

distributions or (iii) any transaction from which the director will personally receive a benefit in money, property or services to which the director is not legally entitled. The exclusions from a director s limitation of liability are narrower and more specific under Washington law than under the comparable provisions of Delaware law, with the result that the scope of the release of liability may be broader under Washington law.

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The Washington Charter provides that a director of the Company shall have no personal liability to the Company or its shareholders for monetary damages for breach of conduct as a director; provided that a director will remain liable for acts or omissions that involve intentional misconduct by a director or a knowing violation of law by a director, for voting or assenting to an unlawful distribution, or for any transaction from which the director will personally receive a benefit in money, property, or services to which the director is not legally entitled. This provision does not affect the availability of equitable remedies such as an injunction based upon a director s breach of the duty of care.

Indemnification of Officers and Directors

Both the RCW and the DGCL permit a corporation to indemnify officers, directors, employees and agents for actions taken in good faith and in a manner they reasonably believed to be in, or not opposed to, the best interests of the corporation, and with respect to any criminal action, which they had no reasonable cause to believe was unlawful. Both states laws provide that a corporation may advance expenses of defense in certain circumstances, and both states permit a corporation to purchase and maintain liability insurance for its directors and officers.

Delaware Provisions

The DGCL provides that indemnification may not be made for any matter as to which a person has been adjudged by a court of competent jurisdiction to be liable to the corporation, unless and only to the extent a court determines that the person is entitled to indemnity for such expenses as the court deems proper.

The Delaware Bylaws provide that Newco shall indemnify each person whom it may indemnify to the extent permitted by the DGCL and that Newco may purchase and maintain insurance on behalf of any person who is or was serving as a director, officer, employee or agent of the Company, or of another entity at the request of the Company. The Delaware Charter provides that Newco shall indemnify its present and former directors and officers to the maximum extent permitted by the DGCL and that such indemnification shall not be exclusive of any other rights to which those seeking indemnification may be entitled under any bylaw, agreement, vote of shareholders or disinterested directors or otherwise.

Washington Provisions

The RCW provides that a corporation may not indemnify a director in connection with a proceeding by or in the right of the corporation in which the director was adjudged liable to the corporation or in connection with any other proceeding charging improper personal benefit to the director in which the director was adjudged liable on the basis that personal benefit was improperly received by the director.

The RCW also provides that, unless a corporation s articles of incorporation provide otherwise, (i) indemnification is mandatory if the director is wholly successful on the merits or otherwise in such a proceeding, and permits a director to apply for court-ordered indemnification and (ii) an officer of the corporation who is not a director is entitled to mandatory indemnification and is entitled to apply for court-ordered indemnification to the same extent as a director. The Washington Charter does not limit these statutory rights to mandatory indemnification.

The Washington Bylaws generally provide that to the full extent permitted by the RCW, the Company shall indemnify any person made or threatened to be made a party to any proceeding by reason of the fact that he or she is or was a director or officer of the Company, or is or was serving at the request of the Company as a director or officer of another corporation, against all expense, liability and loss (including, without limitation, attorneys fees) actually and reasonably incurred or suffered by such person in connection with the proceeding, and that reasonable expenses (including , without limitation, attorneys fees) incurred by such person in defending a proceeding shall be paid by the

Company in advance of the final disposition of such proceeding upon

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receipt of a written affirmation of the director s good faith belief that the director met the requisite standard of conduct and a written undertaking to repay the advance if it is ultimately determined that the director did not meet the standard of conduct. The indemnification and advancement of expenses provided in the Washington Bylaws is not exclusive of any other rights to which such person may be entitled as a matter of law or by contract or by vote of the board of directors or the shareholders or otherwise.

Special Meetings of Shareholders

Delaware Provisions

Under the DGCL, a special meeting of shareholders may be called by the corporation s board of directors or by such persons as may be authorized by the corporation s certificate of incorporation or bylaws. The Delaware Bylaws provide that a special meeting may be called at any time by (i) the Newco Chief Executive Officer, (ii) the Newco President, (iii) the board of directors or (iv) by shareholders holding at least ten percent of the outstanding shares of Newco.

Washington Provisions

Under the RCW, a corporation must hold a special meeting of shareholders upon request by the board of directors or by such persons authorized to do so by the articles of incorporation or bylaws. A corporation must also hold a special meeting of shareholders if the holders of at least ten percent of all votes entitled to be cast at a special meeting deliver to the corporation a demand for a special meeting. However, a corporation that is a public company may in its articles of incorporation limit or deny the right of shareholders to call a special meeting. The Washington Charter does not limit or deny the right of shareholders to call a special meeting.

The Washington Bylaws provide that special meetings of shareholders may be called by the board of directors, the Chairman of the board of directors, or the president of the Company. The Washington Bylaws allow the holders of not less than one-tenth of all the outstanding shares of the corporation entitled to vote at the meeting to call a special meeting of the shareholders.

Amendment or Repeal of the Certificate of Incorporation

Delaware Provisions

Under the DGCL, unless the certificate of incorporation otherwise provides, amendments to the certificate of incorporation generally require the approval of the holders of a majority of the outstanding stock entitled to vote thereon, and if the amendment would increase or decrease the number of authorized shares of any class or series or the par value of such shares, or would adversely affect the rights, powers or preferences of such class or series, a majority of the outstanding stock of such class or series also would have to approve the amendment. The Delaware Charter provides that Newco reserves the right to amend, alter, change or repeal any provision contained in the Delaware Charter, in the manner prescribed by statute and in the charter, and that all rights conferred upon shareholders in the charter are granted subject to this reservation.

Washington Provisions

Under the RCW, a board of directors may amend the corporation s articles of incorporation without shareholder approval (i) to change any provisions with respect to the par value of any class of shares, if the corporation has only one class of shares outstanding, (ii) to delete the names and addresses of the initial directors, (iii) to delete the name

and address of the initial registered agent or registered office, (iv) if the corporation has only one class of shares outstanding, solely to effect a forward or reverse stock split, or change the number of authorized shares of that class in proportion to such forward or reverse split or (v) to change the corporate name. Other amendments to the articles of incorporation must be approved, in the case of a public company, by a majority of the votes entitled to be cast on the proposed amendment, provided that the articles of incorporation

may require a greater vote. The Washington Charter provides that the Company reserves the right to amend or repeal any provision contained in the articles of incorporation in any manner permitted by the RCW, except that any amendment to or repeal of Article VIII, Article IX or Article X of the Washington Charter requires the affirmative vote of the holders of at least 80% of the votes entitled to be cast thereon.

Amendment to Bylaws

Delaware Provisions

Under the DGCL, directors may amend the bylaws of a corporation only if such right is expressly conferred upon the directors in its certificate of incorporation. The Delaware Charter and Delaware Bylaws provide that the board of directors and the shareholders will have the power to adopt, amend, alter or repeal the Delaware Bylaws.

Washington Provisions

The RCW provides that the board of directors may amend or repeal the corporation s bylaws, or adopt new bylaws, unless (i) the articles of incorporation reserve this power exclusively to the shareholders or (ii) the shareholders, in amending, repealing or adopting a particular bylaw, provide expressly that the board of directors may not amend or repeal that bylaw. The shareholders may also amend or repeal the corporation s bylaws, or adopt new bylaws, even though the bylaws may also be amended or repealed by the board of directors.

The Washington Charter provides that the board of directors has the power to adopt, amend or repeal the bylaws of the Company, except that any amendment to Section 3.2 or Section 3.4 of the Washington Bylaws requires the unanimous consent of the entire board of directors. The Washington Charter further provides that the shareholders of the Company have the power to adopt, amend or repeal the bylaws of the Company upon the affirmative vote of the holders of a majority of the votes entitled to be cast thereon, except that any amendment to Section 3.2 or Section 3.4 of the Washington Bylaws will also require the unanimous consent of the entire board of directors.

Merger with Subsidiary

Delaware Provisions

The DGCL provides that a parent corporation may merge into a subsidiary and a subsidiary may merge into its parent, without shareholder approval, where such parent corporation owns at least 90% of the outstanding shares of each class of capital stock of its subsidiary.

Washington Provisions

The RCW provides that a parent corporation may merge a subsidiary into itself without shareholder approval if the parent corporation owns at least 90% of the outstanding shares of each class of capital stock of its subsidiary.

Committees of the Board of Directors

Delaware Provisions

The DGCL provides that the board of directors may delegate certain of its duties to one or more committees elected by a majority of the board of directors. A Delaware corporation can delegate to a committee of the board of directors, among other things, the responsibility of nominating candidates for election to the office of director, to fill vacancies

on the board of directors, to reduce earned or capital surplus, and to authorize the acquisition of the corporation s own stock. Moreover, if the corporation s certificate of incorporation or bylaws, or the resolution of the board of directors creating the committee so permits, a committee of the board of directors may declare dividends and authorize the issuance of stock.

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Washington Provisions

The RCW also provides that the board of directors may delegate certain of its duties to one or more committees elected by a majority of the board of directors. Under the RCW, each committee may exercise such powers of the board of directors as are specified by the board of directors; however, a committee may not (i) authorize or approve a distribution except in accordance with a general formula or method prescribed by the board of directors, (ii) approve or propose to shareholders any action that the RCW requires be approved by shareholders, (iii) fill vacancies on the board of directors or on any of its committees, (iv) amend the articles of incorporation, (v) adopt, amend or repeal bylaws, (vi) approve a plan of merger not requiring shareholder approval or (vii) approve the issuance or sale of shares or determine the designation and relative rights, preferences and limitations of a class or series of shares except within limits specifically prescribed by the board.

Mergers, Acquisitions and Transactions with Controlling Shareholder

Delaware Provisions

Under the DGCL, a merger, consolidation, sale of all or substantially all of a corporation s assets other than in the regular course of business or dissolution of a corporation must be approved by a majority of the outstanding shares entitled to vote. No vote of shareholders of a constituent corporation surviving a merger, however, is required (unless the corporation provides otherwise in its certificate of incorporation) if (i) the merger agreement does not amend the certificate of incorporation of the surviving corporation; (ii) each share of stock of the surviving corporation outstanding before the merger is an identical outstanding or treasury share after the merger; and (iii) the number of shares to be issued by the surviving corporation in the merger does not exceed twenty (20%) of the shares outstanding immediately prior to the merger. The certificate of incorporation of Newco does not make any provision with respect to such mergers.

Washington Provisions

Under the RCW, a merger, share exchange, consolidation, sale of substantially all of a corporation s assets other than in the regular course of business, or dissolution of a public corporation must be approved by the affirmative vote of a majority of directors when a quorum is present, and by two-thirds of all votes entitled to be cast by each voting group entitled to vote as a separate group, unless a higher or lower proportion is specified in the articles of incorporation. The Washington Charter reduces this requirement to a majority of votes entitled to be cast.

The RCW also provides that certain mergers need not be approved by the shareholders of the surviving corporation if (i) the articles of incorporation will not change in the merger, except for specified permitted amendments; (ii) no change occurs in the number, designations, preferences, limitations and relative rights of shares held by those shareholders who were shareholders prior to the merger; (iii) the number of voting shares outstanding immediately after the merger, plus the voting shares issuable as a result of the merger, will not exceed the authorized voting shares specified in the surviving corporation s articles of incorporation immediately prior to the merger; and (iv) the number of participating shares outstanding immediately after the merger, plus the number of participating shares issuable as a result of the merger, will not exceed the authorized participating shares specified in the corporation s articles of incorporation immediately prior to the merger.

Class Voting

Delaware Provisions

The DGCL requires voting by separate classes only with respect to amendments to the certificate of incorporation that adversely affect the holders of those classes or that increase or decrease the aggregate number of authorized shares or the par value of the shares of any of those classes. Under the Delaware Charter, each share of common stock will be entitled to one vote on all matters properly presented at a meeting of shareholders. Holders of the Newco Series A Convertible Preferred Stock and holders of the Newco Series B Convertible

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Preferred Stock will be entitled to vote together with holders of the common stock on an as converted basis and also will have certain special voting rights on matters related to the preferred shares. Except as otherwise required by law, holders of shares of common stock will not be entitled to vote on certain amendments to the Delaware Charter that amend, modify or alter the terms of certain series of preferred stock, if the series excludes the right to vote on such amendments.

Washington Provisions

Under the RCW, a corporation s articles of incorporation may authorize one or more classes or series of shares that have special, conditional or limited voting rights, including the right to vote on certain matters as a group. Additionally, under the RCW, classes or series of shares have, by default application, special voting rights with respect to certain corporate matters, such as certain amendments to the articles of incorporation and mergers and share exchanges. Under the RCW, a corporation s articles of incorporation may expressly limit the rights of holders of a class or series to vote as a group with respect to certain amendments to the articles of incorporation and as to mergers and share exchanges, even though they may adversely affect the rights of holders of that class or series. Article XIII of the Washington Charter limits the rights of holders of a class or series to vote as a group with respect to certain amendments to the articles of incorporation and as to mergers and share exchanges, which would otherwise apply under Washington law.

Preemptive Rights

Delaware Provisions

Under Delaware law, a shareholder does not have preemptive rights unless such rights are specifically granted in the certificate of incorporation. The Delaware Charter states that shareholders do not have any preemptive rights.

Washington Provisions

Under Washington law, a shareholder has preemptive rights unless such rights are specifically denied in the articles of incorporation. The Washington Charter states that shareholders do not have any preemptive rights.

Transactions with Officers and Directors

Delaware Provisions

The DGCL provides that contracts or transactions between a corporation and one or more of its officers or directors or an entity in which they have an interest is not void or voidable solely because of such interest or the participation of the director or officer in a meeting of the board of directors or a committee which authorizes the contract or transaction if (i) the material facts as to the relationship or interest and as to the contract or transaction are disclosed or are known to the board of directors or the committee, and the board of directors or committee in good faith authorizes the contract or transaction by the affirmative votes of a majority of disinterested directors, even though the disinterested directors are less than a quorum; (ii) the material facts as to the relationship or interest and as to the contract or transaction are disclosed or are known to the shareholders entitled to vote thereon, and the contract or transaction is specifically approved in good faith by vote of the shareholders; or (iii) the contract or transaction is fair as to the corporation as of the time it is authorized, approved or ratified by the board of directors, a committee thereof or the shareholders.

Washington Provisions

The RCW sets forth a safe harbor for transactions between a corporation and one or more of its directors. A conflicting interest transaction may not be enjoined, set aside or give rise to damages if, after disclosure of the material facts of such conflicting interest transaction (i) it is approved by a majority of the qualified directors on

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the board of directors or an authorized committee, but in either case by no fewer than two qualified directors; or (ii) it is approved by a majority of all qualified shares; otherwise, there must be a showing that at the time of commitment, the transaction was fair to the corporation. For purposes of this provision, qualified director is one who does not have (a) a conflicting interest respecting the transaction; or (b) a familial, financial, professional or employment relationship with a non-qualified director which relationship would reasonably be expected to exert an influence on the qualified director s judgment when voting on the transaction. Qualified shares are defined generally as shares other than those beneficially owned, or the voting of which is controlled, by a director who has a conflicting interest respecting the transaction.

Stock Redemptions and Repurchases

Delaware Provisions

Under the DGCL, a Delaware corporation may purchase or redeem its own shares of capital stock, except when the capital of the corporation is impaired or when such purchase or redemption would cause any impairment of the capital of the corporation.

Washington Provisions

Under the RCW, a corporation may repurchase or redeem its own shares provided that no repurchase or redemption may be made if, after giving effect to the repurchase or redemption (i) the corporation would not be able to pay its liabilities as they become due or (ii) the corporation s total assets would be less than the sum of its total liabilities plus the amount that would be needed, if the corporation were to be dissolved at the time of the repurchase or redemption, to satisfy the preferential rights upon dissolution of shareholders whose preferential rights are superior to those whose shares are being repurchased or redeemed.

Proxies

Delaware Provisions

Under the DGCL, a proxy executed by a shareholder will remain valid for a period of three years unless the proxy provides for a longer period.

Washington Provisions

Under the RCW, a proxy executed by a shareholder will remain valid for 11 months unless a longer period is expressly provided in the appointment, or unless it is revoked by such shareholder. A proxy will be irrevocable by the shareholder granting it if it includes a statement as to its irrevocable nature, and is coupled with an interest.

Consideration for Stock

Delaware Provisions

Under the DGCL, a corporation may accept as consideration for its stock a combination of cash, property or past services in an amount not less than the par value of the shares being issued, and a secured promissory note or other binding obligation executed by the subscriber for any balance, the total of which must equal at least the par value of the issued stock, as determined by the board of directors.

Washington Provisions

Under the RCW, a corporation may issue its capital stock in return for consideration consisting of any tangible or intangible property or benefit to the corporation, including cash, promissory notes, services performed, contracts for services to be performed, or other securities of the corporation.

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Shareholders Rights to Examine Books and Records

Delaware Provisions

The DGCL provides that any shareholder of record may demand to examine the corporation s books and records for any proper purpose. If management of the corporation refuses, the shareholder can compel release of the books by court order.

Washington Provisions

The RCW provides that upon five business days notice to the corporation a shareholder is entitled to inspect and copy, during regular business hours at the corporation s principal office, the corporation s articles of incorporation, bylaws, minutes of all shareholders meetings for the past three years, certain financial statements for the past three years, communications to shareholders within the past three years, list of the names and business addresses of the current directors and officers and the corporation s most recent annual report delivered to the secretary of state. Upon five business days notice, so long as the shareholder s demand is made in good faith and for a proper purpose, the shareholder describes with reasonable particularity the shareholder s purpose and the records the shareholder desires to inspect, and the records are directly connected with the shareholder s purpose, a shareholder may inspect and copy excerpts from minutes of any meeting of the board of directors or other records of actions of the board of directors, accounting records of the corporation and the record of shareholders.

Appraisal and Dissenters Rights

Under the DGCL and the RCW, shareholders have appraisal or dissenter s rights, respectively, in the event of certain corporate actions such as a merger (though the availability of dissenter s rights under the RCW occurs in more circumstances than under the DGCL). These rights include the right to dissent from voting to approve such corporate action, and demand fair value for the shares of the dissenting shareholder. If a proposed corporate action creating dissenters rights is submitted to a vote at a shareholders meeting, a shareholder who wishes to assert dissenters rights must (i) deliver to the corporation, before the vote is taken, written notice of his intent to demand payment for his shares if the proposed action is effected and (ii) not vote his shares in favor of the proposed action. If fair value is unsettled, the DGCL and the RCW provide various procedures for the dissenter and the corporation to arrive at a fair value, which may ultimately be resolved by petition to the Court of Chancery or to a superior court of the county in Washington where a corporation s principal office or registered office is located, respectively.

Delaware law provides an exception to a stockholder s appraisal rights commonly known as the market-out exception. In accordance with this exception, appraisal rights will not be available if stockholders hold stock of a corporation that is either (i) listed on a national securities exchange or (ii) held of record by more than 2,000 holders. There is no similar exception under Washington law. The Company currently has, and immediately after the reincorporation will have, more than 2,000 record holders of its common stock, and therefore the market-out exception will apply to the common stock immediately after the reincorporation. Holders of common stock will not have appraisal rights under Delaware law while the market-out exception is applicable, except in circumstances where such holders would receive consideration in a transaction other than (a) stock of the surviving corporation, (b) stock of any other corporation that is or will be listed on a national securities exchange or held by more than 2,000 stockholders, (c) cash in lieu of fractional shares or (d) any combination of the foregoing.

Also, Delaware appraisal rights procedures impose a heavier cost and burden on the dissenting stockholder while Washington puts the burden on the corporation. The RCW requires a corporation to pay dissenting shareholders the amount the corporation estimates to be the fair value of their shares, plus interest, generally within 30 days following

the effective date of the corporate action, whereas under the DGCL, absent a settlement, shareholders exercising their appraisal rights will not receive any money for their shares until the

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entire proceeding concludes. Under certain circumstances, this difference with respect to timing of payment to shareholders exercising dissenter s rights may make it more difficult for a person to exercise such rights.

This discussion of appraisal or dissenter s rights is qualified in its entirety by reference to the DGCL and the RCW, which provide more specific provisions and requirements for dissenting shareholders.

Dividends

Delaware Provisions

The DGCL provides that the corporation may pay dividends out of surplus, out of the corporation s net profits for the preceding fiscal year, or both, provided that there remains in the stated capital account an amount equal to the par value represented by all shares of the corporation s stock having a distribution preference.

Washington Provisions

The RCW provides that shares may be issued pro rata and without consideration to the corporation s shareholders as a share dividend. The board of directors may authorize other distributions to its shareholders provided that no distribution may be made if, after giving it effect, (i) the corporation would not be able to pay its liabilities as they become due in the usual course of business or (ii) the corporation s total assets would be less than the sum of its total liabilities plus the amount that would be needed, if the corporation were to be dissolved at the time of the distribution, to satisfy the preferential rights upon dissolution of shareholders whose preferential rights are superior to those receiving the distribution.

Corporate Action Without a Shareholder Meeting

Delaware Provisions

The DGCL permits corporate action without a meeting of shareholders upon the written consent of the holders of that number of shares necessary to authorize the proposed corporate action being taken, unless the certificate of incorporation or articles of incorporation expressly provide otherwise. In the event such proposed corporate action is taken without a meeting by less than the unanimous written consent of shareholders, the DGCL requires that prompt notice of the taking of such action be sent to those shareholders who have not consented in writing.

Washington Provisions

If the corporation is a public company, the RCW only permits action to be taken by shareholders without holding an actual meeting if the action is taken unanimously by all shareholders entitled to vote on the action.

Securities Act Consequences

The shares of Newco s common stock, Series A Convertible Preferred Stock, Series B Convertible Preferred Stock or Warrants to be issued upon conversion of shares of our common stock, Series A Convertible Preferred Stock, Series B Convertible Preferred Stock or Warrants in the reincorporation are not being registered under the Securities Act of 1933, as amended (the Securities Act). In this regard, we are relying on Rule 145(a)(2) under the Securities Act, which provides that a merger that has as its sole purpose a change in the domicile of a corporation does not involve the sale of securities for purposes of the Securities Act, and on interpretations of Rule 145(a)(2) by the SEC to the effect that certain changes in the redomiciled corporation s charter or bylaws in connection with the reincorporation that

otherwise could be made only with the approval of shareholders does not render Rule 145(a)(2) inapplicable. After the reincorporation, Newco will be a publicly held company, we expect Newco common stock will be eligible for quotation on the OTCQB and Newco will file periodic reports and other documents with the SEC and provide to its shareholders the same types of information that we have previously filed and provided.

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Holders of shares of our common stock, Series A Convertible Preferred Stock or Series B Convertible Preferred Stock that are freely tradable before the reincorporation will continue to have freely tradable shares of Newco common stock, Series A Convertible Preferred Stock or Series B Convertible Preferred Stock, subject to the holding limitation set forth in the Washington Charter, which will be included in the Delaware Charter. Stockholders holding so-called restricted shares of our common stock, Series A Convertible Preferred Stock or Series B Convertible Preferred Stock will have shares of Newco common stock, Series A Convertible Preferred Stock or Series B Convertible Preferred Stock that are subject to the same restrictions on transfer as those to which their shares of our common stock, Series A Convertible Preferred Stock or Series B Convertible Preferred Stock are subject at the time of the reincorporation, including the holding limitation set forth in the Washington Charter. For purposes of computing compliance with the holding period requirement of Rule 144 under the Securities Act, stockholders will be deemed to have acquired their shares of Newco common stock, Series A Convertible Preferred Stock or Series B Convertible Preferred Stock on the date they acquired such shares of the Company.

Effect of the Merger on NOLs

As discussed above, the Delaware Charter contains substantially similar transfer restrictions as the Washington Charter. The transfer restrictions have been adopted in order to protect our ability to utilize our existing NOLs under and in accordance with regulations promulgated by the U.S. Internal Revenue Service (the IRS). Because we expect the Merger to qualify as a reorganization under Section 368(a)(1)(F) of the U.S. Internal Revenue Code of 1986, as amended (the Code), we do not expect the Merger, in and of itself, to have any impact on our ability to utilize our existing NOLs.

Material U.S. Federal Income Tax Consequences of the Reincorporation Merger

The following is a discussion of the material U.S. federal income tax consequences to U.S. holders (as defined below) of the Merger, but does not purport to be a complete analysis of all potential tax effects. The effects of other U.S. federal tax laws, such as estate and gift tax laws, and any applicable state, local or non-U.S. tax laws are not discussed. This discussion is based on the Code, the U.S. Treasury Regulations promulgated thereunder, judicial decisions, and published rulings and administrative pronouncements of the IRS, in each case in effect as of the date hereof. These authorities may change or be subject to differing interpretations. Any such change or differing interpretation may be applied retroactively in a manner that could adversely affect a U.S. holder of our common stock, preferred stock or options, rights or warrants. The Company does not intend to request a ruling from the IRS or an opinion of counsel as to the U.S. federal income tax consequences of the Merger.

This discussion is limited to U.S. holders that hold our common stock, preferred stock or options, rights or warrants as a capital asset within the meaning of Section 1221 of the Code (generally, property held for investment). This discussion does not address all U.S. federal income tax consequences relevant to a U.S. holder s particular circumstances. In addition, it does not address consequences relevant to U.S. holders subject to special rules, including, without limitation:

- U.S. expatriates and former citizens or long-term residents of the United States;
- persons subject to the alternative minimum tax;

persons who are not U.S. holders;

persons holding our common stock, preferred stock or options, rights or warrants as part of a hedge, straddle or other risk reduction strategy or as part of a conversion transaction or other integrated investment;

banks, insurance companies, and other financial institutions;

brokers, dealers or traders in securities;

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controlled foreign corporations, passive foreign investment companies, and corporations that accumulate earnings to avoid U.S. federal income tax;

partnerships or other entities or arrangements treated as partnerships for U.S. federal income tax purposes (and investors therein);

tax-exempt organizations or governmental organizations;

persons who hold or receive our common stock, preferred stock or options, rights or warrants pursuant to the exercise of any employee stock option or otherwise as compensation; and

tax-qualified retirement plans.

If an entity treated as a partnership for U.S. federal income tax purposes holds our common stock, preferred stock or options, rights or warrants, the tax treatment of a partner in the partnership will depend on the status of the partner, the activities of the partnership and certain determinations made at the partner level. Accordingly, partnerships holding our common stock, preferred stock or options, rights or warrants and the partners in such partnerships should consult their tax advisors regarding the U.S. federal income tax consequences to them.

THIS DISCUSSION IS FOR INFORMATIONAL PURPOSES ONLY AND IS NOT TAX ADVICE. YOU SHOULD CONSULT YOUR TAX ADVISOR WITH RESPECT TO THE APPLICATION OF THE U.S. FEDERAL INCOME TAX LAWS TO YOUR PARTICULAR SITUATION AS WELL AS ANY TAX CONSEQUENCES OF THE MERGER ARISING UNDER THE U.S. FEDERAL ESTATE OR GIFT TAX LAWS OR UNDER THE LAWS OF ANY STATE, LOCAL OR NON-U.S. TAXING JURISDICTION OR UNDER ANY APPLICABLE INCOME TAX TREATY.

For purposes of this discussion, a U.S. holder is a beneficial owner of our common stock, preferred stock or options, rights or warrants who is, for U.S. federal income tax purposes (1) an individual who is a citizen or resident of the United States, (2) a corporation created or organized under the laws of the United States, any state thereof, or the District of Columbia, (3) an estate, the income of which is subject to U.S. federal income tax regardless of its source, or (4) a trust that (A) is subject to the primary supervision of a U.S. court and the control of one or more United States persons (within the meaning of Section 7701(a)(30) of the Code), or (B) has a valid election in effect to be treated as a United States person for U.S. federal income tax purposes.

We believe that the Merger should constitute a tax-free reorganization within the meaning of Section 368(a)(1)(F) of the Code. Assuming that the Merger will be treated for U.S. federal income tax purposes as a reorganization:

U.S. holders of Company common stock, preferred stock or options, rights or warrants will not recognize any gain or loss as a result of the consummation of the Merger;

the aggregate tax basis of shares of Newco common stock, preferred stock or options, rights or warrants received in the Merger will be equal to the aggregate tax basis of the shares of Company common stock,

preferred stock or options, rights or warrants converted therefor;

the holding period of the shares of Newco common stock, preferred stock or options, rights or warrants received in the Merger will include the holding period of the shares of Company common stock, preferred stock or options, rights or warrants converted therefor; and

neither the Company nor Newco will recognize gain or loss as a result of the Merger.

No ruling will be sought from the IRS with respect to the U.S. federal income tax consequences of the Merger, and no assurance can be given that the U.S. federal income tax consequences described above will not be challenged by the IRS or, if challenged, will be upheld by a court. Accordingly, U.S. holders are urged to consult their tax advisors regarding the tax consequences of the Merger.

The board of directors unanimously recommends that you vote FOR approval of the reincorporation of the Company from the State of Washington to the State of Delaware.

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PROPOSAL 4

WMIHC 2012 LONG-TERM STOCK INCENTIVE PLAN

We are asking shareholders to approve and ratify our 2012 Plan.

Background of the 2012 Long-Term Incentive Plan

WMIHC s board of directors approved the Company s 2012 Plan on May 22, 2012, to award restricted stock to its non-employee directors and to have a plan in place for awards to executives and others in connection with the Company s operations and future strategic plans. The 2012 Plan provides for the granting of restricted shares and other cash and share based awards. The value of restricted stock is determined using the fair market value of the shares on the issuance date.

A total of 2,000,000 shares of common stock were initially reserved for future issuance under the 2012 Plan, which became effective upon board approval on May 22, 2012. On February 10, 2014, the board of directors approved and adopted a First Amendment to the 2012 Plan, pursuant to which the number of shares of WMIHC s common stock reserved and available for grants under the 2012 Plan was increased from 2,000,000 shares to 3,000,000 shares, and that modified the terms under which the 2012 Plan may be amended to permit such an increase through action of the board except when shareholder approval is necessary to comply with any applicable law, regulation or rule of any stock exchange on which WMIHC s shares are listed, quoted or traded. The 2012 Plan was filed as Exhibit 10.17 to our Form 10-K filed with the SEC on March 15, 2013, and the First Amendment to the 2012 Plan was filed as Exhibit 99.1 to our Form 8-K filed with the SEC on February 13, 2014.

On October 18, 2012, we granted 1,156,078 restricted shares of our common stock to our outside directors under the 2012 Plan. On August 13, 2013, we granted another 686,273 restricted shares of our common stock to our directors. On February 10, 2014, we granted 250,000 restricted shares of our common stock to members of our Corporate Strategy and Development Committee and to our Chairman, Michael Willingham, under the 2012 Plan. On June 4, 2014, we granted 250,894 restricted shares of our common stock to our directors under the 2012 Plan. In each case, we issued these shares relying on Section 4(a)(2) of the Securities Act, and Rule 506 of Regulation D thereunder.

As of February 27, 2015, an aggregate of 2,343,245 restricted shares of common stock were outstanding, 1,260,429 of which were unvested, and 656,755 shares were available for future grants of awards under the 2012 Plan before taking into account the amendment described below.

On February 25, 2015, the board of directors approved and adopted a Second Amendment to the 2012 Plan, pursuant to which the number of shares of WMIHC s common stock authorized and available for grants under the 2012 Plan was increased from 3,000,000 shares to 12,000,000 shares. The Second Amendment was made in anticipation of entering into employment agreements with new management upon reincorporation and issuing various awards to them under these agreements. Our board of directors believes that stock-based compensation aligns the interests of our management with the interests of our shareholders. The availability of stock-based compensation not only increases management s focus on the creation of shareholder value, but also enhances retention and generally provides increased motivation for our management to contribute to the future success of WMIHC. If the reincorporation is not consummated, and consequently the authorized number of common shares is not increased to 3,500,000,000, the board of directors does not anticipate issuing any awards of common stock authorized under the Second Amendment to the 2012 Plan, as all authorized and unissued shares of common stock are reserved and kept available solely for issuance upon mandatory conversion of the Series B Convertible Preferred Stock.

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Summary of the 2012 Long-Term Incentive Plan

The principal features of the 2012 Plan are summarized below. This summary is qualified in its entirety by reference to the full text of the 2012 Plan, which is attached to this Proxy Statement as Appendix D. We encourage you to read the 2012 Plan carefully.

Available Shares

Subject to adjustments for stock splits, stock dividends, or other changes in corporate capitalization, the 2012 Plan, as amended, provides that the aggregate number of shares of common stock authorized and available for grant under the 2012 Plan (or to be used to determine the value of an award payable in cash) is 12,000,000 shares. Shares delivered pursuant to an award under the 2012 Plan may be authorized but unissued shares or reacquired shares.

If any award is forfeited, terminates, is cancelled or expires without being exercised, or if an award is settled in cash, the shares of common stock subject to that award will again be available for issuance in connection with awards under the 2012 Plan. Shares used to pay the exercise price or withholding taxes related to an award, or that are unissued in connection with the net settlement of outstanding stock appreciation rights (SARs) or that are used to satisfy the payment of dividend equivalent awards will not become available for issuance as future awards under the 2012 Plan.

The market value of the Company s common stock as reported on the OTCQB as of the Record Date was $ per share.

Administration

The 2012 Plan is administered by our Compensation Committee. The Compensation Committee is currently comprised of Steven D. Scheiwe, Eugene I. Davis and Timothy R. Graham, each of whom is a non-employee director for purposes of Rule 16b-3 under section 16 of the Exchange Act and an outside director for purposes of section 162(m) of the Code. The 2012 Plan authorizes the Compensation Committee to designate participants to receive awards, to determine the type of awards and the times when awards are to be granted to participants, to determine the number of awards to be granted and the number of shares of common stock to which an award will relate, to determine the terms and conditions of any award, to determine to what extent an award may be settled or its exercise paid in cash, shares of common stock, other awards or other property, or whether an award may be canceled, forfeited, exchanged or surrendered, to prescribe the form of each award agreement, to decide all other matters in connection with an award, and to interpret the 2012 Plan and establish rules and regulations relating to the 2012 Plan. The 2012 Plan authorizes the Compensation Committee to delegate its authority as permitted by law and the rules of any established securities market on which our common stock is traded, except that only the board or the Compensation Committee may approve awards to individuals who are subject to section 16 of the Exchange Act or who are a covered employee under section 162(m) of the Code.

Eligibility

Directors, employees, officers and consultants of the Company, its affiliates or any entity of which the Company is an affiliate are eligible to receive grants of awards under the 2012 Plan. Prospective participants may be granted awards in connection with written offers of employment or service agreements with the Company or an affiliate, provided that the award must specifically provide that no portion will vest, become exercisable or be issued before the individual begins employment or providing services to the Company or any affiliate. Only employees of the Company or its subsidiaries may be granted incentive stock options.

Types of Awards

Awards under the 2012 Plan may consist of restricted stock, restricted stock units, performance stock, performance stock units, performance cash awards, stock grants, stock units, dividend equivalents, stock options,

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stock appreciation rights or performance-based awards. However, no stock option, stock appreciation right or performance-based award may be granted until the board of directors amends the 2012 Plan to provide for such grants and the amendment is approved by our shareholders if such approval is necessary to comply with any applicable law, regulation or rule of any stock exchange on which WMIHC s shares are listed, traded or quoted. All awards are evidenced by an award agreement and may be granted alone or in tandem with other awards. Each award agreement will include recapture or clawback provisions to the extent the Compensation Committee believes desirable or necessary to comply with applicable law in effect on the date of the award agreement, or as it otherwise determines to be appropriate.

Restricted Stock and Restricted Stock Unit Awards

A restricted stock award consists of shares of our common stock that generally are non-transferable and subject to other restrictions imposed by the Compensation Committee, including for example restrictions on the right to receive dividends or vote the shares. Restrictions on restricted stock may lapse separately or in combination, at such times, in such circumstances, in installments or otherwise as determined by the Compensation Committee at the time of grant or thereafter. Participants may not exercise voting rights with respect to restricted stock unless otherwise provided in the award agreement. If a participant terminates employment or service during the restricted period, then any unvested restricted stock will be forfeited except as otherwise provided in the award agreement. The Compensation Committee may waive any restrictions or forfeiture conditions relating to a restricted stock award. Any certificates representing shares of restricted stock that are registered in a participant s name will bear an appropriate legend referring to the applicable terms, conditions and restrictions, and may be retained in the Company s possession until all applicable restrictions have lapsed.

A restricted stock unit award represents the right to receive a specified number of shares of our common stock, or a cash payment equal to the fair market value as of a specified date of a specified number of shares of our common stock, subject to any vesting or other restrictions deemed appropriate by the Committee. Restrictions on restricted stock units may lapse separately or in combination, at such times, in such circumstances, in installments or otherwise as determined by the Compensation Committee at the time of grant or thereafter. If a participant terminates employment or services during the restricted period, then any units that are at that time subject to restrictions will be forfeited except as otherwise provided in the award agreement. The Compensation Committee may waive any restrictions or forfeiture conditions relating to a restricted stock award. Payment for restricted stock units will be made at the time designated by the Compensation Committee in the award agreement, and may be in the form of cash or shares of common stock, or in a combination of both, as provided by the Compensation Committee in the applicable award agreement.

Stock Grant and Stock Unit Awards

The 2012 Plan permits the Compensation Committee to grant stock grant awards and stock unit awards. A stock grant award is the right to receive or purchase at a price determined by the Compensation Committee a specified number of shares of common stock free of any vesting restrictions. The purchase price, if any, for a stock grant award is payable in cash or other form of consideration acceptable to the Compensation Committee. A stock unit award represents the right to receive in the future a specified number of shares of common stock, or a cash payment equal to the fair market value as of a specified date of a specified number of shares of common stock, free of any vesting restrictions. Stock grant awards and stock unit awards may be granted in respect of past services or other valid consideration, or in lieu of any cash compensation due to a participant.

Performance Share, Performance Share Unit and Performance Cash Awards

Under the 2012 Plan, the Compensation Committee may grant performance share awards, performance share unit awards and performance cash awards. A performance share award grants a participant the right to receive a specified number of shares of our common stock depending on the satisfaction of any one or more

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performance goals. A performance share unit award grants a participant the right to receive a specified number of shares of our common stock, a cash payment equal to the fair market value as of a specified date of a specified number of shares, or a combination of shares and cash, depending on the satisfaction of any one or more performance goals. A performance cash award grants a participant the right to receive an amount of cash depending on the satisfaction of any one or more performance goals. Performance in each case may be measured on a specified date or dates or over any period or periods determined by the Compensation Committee.

The Compensation Committee will establish the performance goals for each award of performance shares, performance share units or performance cash, which will be based on performance criteria designated in the award agreement. Such performance goals may be expressed in terms of overall Company performance or the performance of a division, business unit, plant or an individual. Performance goals may be stated in terms of absolute levels or relative to another company or companies or to an index or indices.

Dividend Equivalent Awards

A dividend equivalent award represents the right to receive a payment based on the dividends declared on the shares of common stock that are subject to any restricted stock unit, stock unit, performance share unit or performance share award, to be credited on dividend payment dates during the period between the grant date and the date the award is settled, vests or expires, as determined by the Compensation Committee. A dividend equivalent award is expressed in terms of cash or shares of common stock depending on the way in which the dividends to which it relates are declared. The award will be converted to cash or additional shares of common stock, as the case may be, by such formula and at such time and subject to such limitations as determined by the Compensation Committee, and may be paid with interest if so provided in the award agreement.

Stock Options

The 2012 Plan provides for awards of options to purchase shares of our common stock that are either incentive stock options, meaning they are intended to satisfy the requirements of Section 422 of the Code, or non-qualified stock options, which are not intended to satisfy the requirements of Section 422 of the Code. However, no option award may be granted until the board of directors amends the 2012 Plan to provide for such grants and such amendment is approved by our shareholders if such approval is necessary to comply with any applicable law, regulation or rule of any stock exchange on which WMIHC s shares are listed, traded or quoted.

Stock Appreciation Rights (SARs)

The 2012 Plan provides for awards of stock appreciation rights, which generally would entitle the holder to receive, upon settlement, the excess of the fair market value of a share of our common stock on the exercise date over the exercise price, multiplied by the number of shares for which the right is exercised. However, no stock appreciation right award may be granted until the board of directors amends the 2012 Plan to provide for such grants and such amendment is approved by our shareholders if such approval is necessary to comply with any applicable law, regulation or rule of any stock exchange on which WMIHC s shares are listed, traded or quoted.

Performance-Based Awards

A performance-based award is an award intended to qualify as performance-based compensation under section 162(m) of the Code. The 2012 Plan is designed to permit the Compensation Committee to qualify any award granted to an employee who is or may be a covered employee under Code section 162(m) as a performance-based award. However, no performance-based awards may be granted until the board of directors amends the 2012 Plan to provide for such

grants and such amendment is approved by our shareholders if such approval is necessary to comply with any applicable law, regulation or rule of any stock exchange on which WMIHC s shares are listed, traded or quoted.

Change of Control

Unless otherwise provided in an award agreement by the Compensation Committee, with the approval of the board of directors, if there is a change of control of the Company (as defined in the 2012 Plan), restrictions on

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any restricted stock or restricted stock unit awards will lapse, any performance share or performance share unit awards that are payable in common stock will be converted to fully vested stock grants, performance share unit awards that are payable in cash will be fully vested and performance cash awards will be deemed satisfied and earned at the target performance level.

Adjustments

The 2012 Plan provides that in the event of certain corporate events or changes in our common stock, the Compensation Committee will proportionally adjust awards and the number of shares under the 2012 Plan as it determines to be appropriate. Any adjustment to awards will be made in a manner consistent with Code section 409A.

Amendments and Termination

The 2012 Plan will terminate on May 22, 2022, unless it is terminated sooner by the Compensation Committee with the approval of the board of directors. The Compensation Committee may terminate or amend the 2012 Plan in any respect at any time, except that no amendment may be made without shareholder approval if such approval is required by applicable law, regulation or rule of any stock exchange on which WMIHC s shares are listed, quoted or traded. Except as otherwise provided in the 2012 Plan with respect to adjustments in connection with certain corporate events or changes in the Company s common stock, no amendment may be made that would adversely affect the rights of a holder of any outstanding award without the holder s written consent. However, holder consent is not needed for any change required by law or regulation, required to cause awards to qualify as performance-based compensation under Code section 162(m) or to comply with Code section 409A, or that in the Committee s good faith discretion does not adversely affect in any material way the rights of the holder.

New Plan Benefits

Because future awards under the 2012 Plan will be granted in the discretion of the Compensation Committee, the type, number, recipients, and other terms of such awards cannot be determined at this time.

The board of directors unanimously recommends that you vote FOR approval of the 2012 Plan.

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PROPOSAL 5

ADVISORY VOTE ON NAMED EXECUTIVE OFFICER COMPENSATION

We are asking shareholders to approve an advisory (non-binding) resolution on WMIHC s named executive officer compensation as disclosed in this Proxy Statement. As described below in the Executive Compensation Compensation Discussion and Analysis section of this Proxy Statement, our Compensation Committee has structured our executive compensation program in a way that it believes will attract and retain highly qualified executive officers. Our Compensation Committee and board of directors believe that the compensation policies and procedures articulated in the Compensation Discussion and Analysis section of this Proxy Statement are effective in achieving our goals.

We urge shareholders to read the Executive Compensation section of this Proxy Statement, including the Compensation Discussion and Analysis that discusses our named executive officer compensation for fiscal year 2014 in more detail, as well as the 2014 Summary Compensation Table and other related compensation tables, notes and narrative, which provide detailed information on the compensation of our named executive officers.

In accordance with Section 14A of the Exchange Act, and as a matter of good corporate governance, we are asking shareholders to approve the following resolution at the Annual Meeting:

RESOLVED, that the shareholders of WMI Holdings Corp. (the Company) approve, on an advisory basis, the compensation of the Company s named executive officers as disclosed in the Proxy Statement for the Company s 2015 Annual Meeting of Shareholders.

Although this proposal, commonly referred to as a say-on-pay vote, is an advisory vote that will not be binding on our board of directors or Compensation Committee, the board of directors and Compensation Committee will consider the results of this advisory vote when making future decisions regarding our named executive officer compensation programs.

The board of directors unanimously recommends that you vote FOR the approval, on an advisory basis, of the compensation of WMIHC s named executive officers.

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COMMITTEES AND MEETINGS OF THE BOARD

During the fiscal year ended December 31, 2014, the board of directors held fifteen (15) meetings. The board of directors has established four standing committees: an Audit Committee, Compensation Committee, Corporate Strategy and Development Committee and Nominating and Corporate Governance Committee. Each director attended at least 75% of the total number of meetings held by the board of directors and the board committees on which he or she served during fiscal year 2014.

Although the board of directors has not adopted a policy with respect to board member attendance at annual shareholder meetings, the board strongly encourages all directors to make attendance at the Annual Meeting a priority. Last year, all board members (other than Mr. Scheiwe, who was outside of the country at the time) were in attendance at the annual meeting of shareholders.

Audit Committee

WMIHC has a standing Audit Committee established in accordance with Section 3(a)(58)(A) of the Exchange Act. The Audit Committee is governed by a written charter, a current copy of which is available on WMIHC s website at www.wmiholdingscorp.com. The Audit Committee held six (6) meetings during the fiscal year ended December 31, 2014.

Mark E. Holliday (Chair), Steven D. Scheiwe and Michael Willingham, each of whom meets the financial literacy and independence requirements for audit committee membership specified in the NASDAQ listing standards and rules adopted by the SEC, are the current members of the Audit Committee. The board of directors has determined that each member is qualified to be an audit committee financial expert as defined in the SEC s rules.

The Audit Committee s duties and responsibilities include: (a) selection, retention, compensation, evaluation, replacement and oversight of WMIHC s independent registered public accounting firm, including resolution of disagreements between management and the independent auditors regarding financial reporting; (b) establishment of policies and procedures for the review and pre-approval of all audit services and permissible non-audit services to be performed by WMIHC s independent registered public accounting firm; (c) review and discuss with management and the independent auditors the annual audited financial statements (including the report of the independent auditor thereon) or quarterly unaudited financial statements contained in WMIHC s periodic reports with the SEC; (d) obtain and review a report from the independent registered public accounting firm describing WMIHC s internal quality control procedures; (e) periodic assessment of WMIHC s accounting practices and policies and risk and risk management; (f) review policies and procedures with respect to transactions between WMIHC and related-persons and review and approve those related-person transactions that would be disclosed pursuant to SEC Regulation S-K, Item 404; (g) establishment of procedures for the receipt, retention and treatment of complaints regarding accounting, internal accounting controls or auditing matters and for the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters, in each case, pursuant to and to the extent required by laws, rules and regulations applicable to WMIHC; and (h) oversight of the code of ethics for senior financial officers and development and monitoring of compliance with the code of conduct applicable to WMIHC s directors, officers and employees, in each case, pursuant to and to the extent required by laws, rules and regulations applicable to WMIHC.

Compensation Committee

The members of the Compensation Committee are Steven D. Scheiwe (Chair), Eugene I. Davis and Timothy R. Graham, each of whom is an independent director as defined in Rule 5605(a)(2) of the NASDAQ listing

standards. The Compensation Committee is governed by a written charter, a current copy of which is available on WMIHC s website at www.wmiholdingscorp.com. During the fiscal year ended December 31, 2014, the Compensation Committee held two (2) meetings and otherwise elected to act on other business via unanimous written consent, as contemplated by its charter.

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Responsibilities and Processes of Compensation Committee. The board of directors has delegated to the Compensation Committee responsibility for considering and approving the compensation programs and awards for all of WMIHC s executive officers, including the named executive officers identified in the 2014 Summary Compensation Table. The Compensation Committee consists entirely of independent, non-employee directors. The Compensation Committee is responsible for: (a) reviewing WMIHC s overall compensation philosophy and related compensation and benefit policies, programs and practices; (b) reviewing and approving goals and objectives relevant to compensation of the Chief Executive Officer, the Chief Financial Officer and other executive officers; (c) reviewing and recommending equity compensation plans; (d) overseeing and reviewing the non-employee director compensation program; (e) reviewing and discussing with WMIHC s management the compensation discussion and analysis, if required by the Exchange Act and recommending it to the board of directors, if appropriate, for inclusion in WMIHC s Proxy Statement; and (f) monitoring compliance with applicable laws governing executive compensation.

Role of Executive Officers. WMIHC has two executive officers: (a) Charles Edward Smith, its President, Interim Chief Executive Officer, Interim Chief Legal Officer and Secretary; and (b) Timothy F. Jaeger, its Interim Chief Financial Officer and Interim Chief Accounting Officer. In addition, Mr. Smith is an employee of the Trust, serving as its Executive Vice President, General Counsel and Secretary.

Mr. Smith provides services to WMIHC under the Transition Services Agreement, dated March 22, 2012, by and between WMIHC and the Trust (as amended, the Transition Services Agreement), under which Mr. Smith provides certain designated services to WMIHC. Pursuant to the Transition Services Agreement, we have agreed to reimburse the Trust at a fixed rate per hour in exchange for Mr. Smith s services as an executive of WMIHC.

Mr. Jaeger provides services to WMIHC under a non-exclusive arrangement pursuant to an Engagement Agreement, effective May 28, 2012 (as amended, the Engagement Agreement), entered into by and between WMIHC and CXO Consulting Group, LLC (CXOC), under which Mr. Jaeger acts as Interim Chief Accounting Officer and Interim Chief Financial Officer to WMIHC.

Subject to the terms of these agreements, the executive officers are elected by and serve at the discretion of WMIHC s board of directors. Mr. Smith on behalf of the Trust, and Mr. Jaeger on behalf of CXOC, negotiated their respective reimbursement or compensation arrangements (as the case may be) with the Chairman of the board and were approved by the board and the Compensation Committee. Neither Mr. Smith nor Mr. Jaeger was present at the Compensation Committee s deliberations or approval of their respective reimbursement or compensation agreements.

Mr. Smith was present during the Compensation Committee s deliberations and approval process regarding compensation of non-employee directors.

Corporate Strategy and Development Committee

The members of the Corporate Strategy and Development Committee (the CS&D Committee) are Eugene I. Davis (Chair), Diane B. Glossman and Michael Renoff, each of whom is an independent director as defined in Rule 5605(a)(2) of the NASDAQ listing standards. The CS&D Committee is governed by a written charter, a current copy of which is available on WMIHC s website at www.wmiholdingscorp.com. The purpose of the CS&D Committee is to support the board of directors with the identification, review and assessment of potential acquisitions and strategic or business investment opportunities. During the fiscal year ended December 31, 2014, the CS&D Committee held at least fifteen (15) formal and informal meetings and is actively engaged in pursuing acquisition opportunities for the Company.

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Following the reincorporation, we expect that Mr. Gallagher and Mr. Fairfield will join the board of directors and become members of the CS&D Committee, where they are expected to work with us to develop our acquisition strategy and to identify, consider and evaluate potential mergers, acquisitions, business combinations and other strategic opportunities, including collecting and analyzing information regarding potential target companies, determining the valuation of potential target companies and advising on capital-raising, if needed, to fund our external growth strategy. See Proposal 3 Approval to Reincorporate WMI Holdings Corp. from the State of Washington to the State of Delaware Board of Directors: Expected Appointees. In connection with, and in addition to, the foregoing, we may explore various financing alternatives to fund our external growth strategy, including improving our capital structure, which may include increasing, reducing and/or refinancing debt; pursuing capital raising activities, such as the issuance of new preferred or common equity and/or a rights offering to our existing shareholders, launching an exchange offer, and pursuing other transactions involving our outstanding securities. There can be no assurance that any transaction will occur or, if so, on what terms.

Nominating and Corporate Governance Committee

The members of the Nominating and Corporate Governance Committee are Michael Willingham (Chair), Diane B. Glossman and Mark E. Holliday, each of whom is an independent director as defined in Rule 5605(a)(2) of the NASDAQ listing standards. The Nominating and Corporate Governance Committee was established in November 2013. The Nominating and Corporate Governance Committee is governed by a written charter, a current copy of which is available on WMIHC s website at www.wmiholdingscorp.com. During the fiscal year ended December 31, 2014, the Nominating and Corporate Governance Committee held seven (7) meetings.

The functions of the Nominating and Corporate Governance Committee are to carry out the duties and responsibilities delegated by the board relating to our director nominations process, oversight of the evaluation of directors and development and maintenance of our corporate governance principles and policies. The committee is authorized by its charter to engage its own advisors. Our board is responsible for nominating members for election to our board and for filling vacancies on the board that may occur between annual meetings of shareholders. The committee is responsible for identifying, screening and recommending to our board candidates for board membership. The committee recommended to the board the nomination of the candidates reflected in Proposal 1.

Nominees for director will be selected on the basis of, among other things, knowledge, experience, skills, expertise, integrity, diversity, ability to make independent analytical inquiries, and understanding of the Company s business environment, all in the context of an assessment of the perceived needs of the board at the time. Nominees should also be willing to devote adequate time and effort to board responsibilities. The Nominating and Corporate Governance Committee does not set specific, minimum qualifications that nominees must meet in order for the committee to recommend them to the board, but rather believes that each nominee should be evaluated based on his or her individual merit, taking into account the needs of the Company and the composition of the board. The committee will consider shareholder recommendations for candidates to serve on the board. Candidates suggested by shareholders will be evaluated by the same criteria and process as candidates from other sources. Formal nomination of candidates by shareholders requires compliance with Section 2.13 of the Washington Bylaws, including sending timely notice of the candidate s name, biographical information, and qualifications, and certain information regarding the shareholder making the nomination, to the Secretary of the Company at WMI Holdings Corp., 1201 Third Avenue, Suite 3000, Seattle, Washington 98101. In order for a notice of shareholder nomination to be considered timely, a shareholder must deliver the notice to the Secretary at WMIHC s principal executive offices no later than 90 calendar days and no earlier than 120 calendar days prior to the one-year anniversary of the date on which the Company s Proxy Statement was released to shareholders in connection with the previous year s annual meeting of shareholders; provided, however, if the annual meeting of shareholders is convened more than 30 days prior to the anniversary of the preceding year s annual meeting, the notice by the shareholder must be received not later than the close of business on

the later of the 90th calendar day before such annual meeting and the 10th day following the day on which public

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announcement of the date of such meeting is first made. There is otherwise no formal process prescribed for identifying and evaluating nominees, including no formal diversity policy.

Committee Membership at February 27, 2015

Name	Audit Committee	Compensation Committee	Corporate Strategy & Development Committee	Nominating and Corporate Governance Committee
Michael Willingham	Member			Chair
Eugene I. Davis		Member	Chair	
Diane B. Glossman			Member	Member
Timothy R. Graham		Member		
Mark E. Holliday	Chair			Member
Michael Renoff			Member	
Steven D. Scheiwe	Member	Chair		

RISK MANAGEMENT

WMIHC has developed and maintains processes to manage risk in its operations. The board of director s role in risk management is primarily one of oversight, with day-to-day responsibility for risk management implemented by the management team. The board of directors executes its oversight role directly and through its various committees. The Audit Committee has principal responsibility for implementing the board of director s risk management oversight role. The Audit Committee is also responsible for reviewing conflict of interest transactions and handling complaints about accounting and auditing matters and violations of WMIHC s code of conduct and code of ethics. Any waivers of the codes for executive officers and directors must be submitted to the Chair of the Audit Committee and may be made only by the board. The Audit Committee monitors certain key risks, such as risk associated with internal control over financial reporting, liquidity risk and risks associated with potential business acquisitions, in addition to assessing the risks in proposed financing or investments of the Company. The Compensation Committee assesses risks created by the incentives inherent in WMIHC s compensation policies. Finally, the full board of directors reviews strategic and operational risk in the context of reports from the management team and the board committees.

LEADERSHIP STRUCTURE

Since our emergence from Chapter 11 bankruptcy, the positions of Chairman of the Board and Chief Executive Officer have been held by two different individuals. The board has determined that Mr. Willingham, who is presently serving as Chairman of the Board, is independent under NASDAQ listing standards. The board believes that this structure is appropriate for the Company at this time. Each of WMIHC s board committees is made up solely of independent directors and sets its own agenda. The independent directors also meet in executive session on a regular basis without management present.

CODE OF ETHICS

WMIHC has adopted a code of ethics for senior financial officers, which is applicable to its chief executive officer, president, principal financial officer, and principal accounting officer. The code of ethics focuses on honest and ethical conduct, the adequacy of disclosure in WMIHC s financial reports, and compliance with applicable laws and

regulations. A current copy of the code of ethics is available on WMIHC s website at www.wmiholdingscorp.com, and is administered by the Audit Committee.

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SHAREHOLDER COMMUNICATIONS WITH THE BOARD

Communications by shareholders to the board of directors should be sent to the attention of the Chairman of the Board, in care of Charles Edward Smith, Interim Chief Executive Officer, WMI Holdings Corp., 1201 Third Avenue, Suite 3000, Seattle, Washington 98101. Such communications will be forwarded unopened to the individual serving as Chairman of the Board, who will be responsible for responding to or forwarding such communications as appropriate, including communications directed to individual directors or board committees. Communications will not be forwarded if the Chairman of the Board determines that they do not appear to be within the scope of the board s (or such other intended recipient s) responsibilities or are otherwise inappropriate or frivolous.

DIRECTOR COMPENSATION FOR FISCAL YEAR 2014

2014 Director Compensation Table

The following table summarizes information regarding director compensation for the non-employee directors of the Company during the fiscal year ended December 31, 2014.

Name	Fees Earned or Paid in Cash ($)	Stock Awards ($)[1]	Total ($)
Michael Willingham	172,500	226,500	399,000
Eugene I. Davis	130,000	353,000	483,000
Diane B. Glossman	115,000	226,500	341,500
Timothy R. Graham	105,000	100,000	205,000
Mark E. Holliday	130,000	100,000	230,000
Michael Renoff	110,000	226,500	336,500
Steven D. Scheiwe	122,500	100,000	222,500

(1) On February 10, 2014, Michael Willingham, Diane B. Glossman and Michael Renoff each received a grant of 50,000 shares of restricted stock, with each such grant having a fair market value of $126,500 as of the grant date. On February 10, 2014, Eugene I. Davis received a grant of 100,000 shares of restricted stock, with such grant having a fair market value of $253,000 as of the grant date. On June 4, 2014, each director received a grant of 35,856 shares of restricted stock, with each such grant having a fair market value of $100,000 as of the grant date.

Narrative to Director Compensation Table

Director compensation has three components: (1) annual cash retainer for board service; (2) annual cash retainers based on committee chair positions and committee membership; and (3) annual and special restricted stock grants. The annual cash retainer for board service was $100,000. Annual retainers for committee or chair service include: (i) $10,000 for each non-Chair member of the Audit Committee; (ii) $10,000 for each non-Chair member of the Corporate Strategy and Development Committee; (iii) $5,000 for each non-Chair member of the Compensation Committee; (iv) $5,000 for each non-Chair member of the Nominating and Corporate Governance Committee; (v) $50,000 for being Chairman of the Board; (vi) $25,000 for the Audit Committee Chair; (vii) $25,000 for the Corporate Strategy and Development Committee Chair; (viii) $12,500 for the Compensation Committee Chair and (ix) $12,500 for the Nominating and Corporate Governance Committee Chair. All retainers were paid in quarterly

installments, in advance, on the last day of the prior quarter. WMIHC also reimburses directors for their travel expenses for each meeting attended in person; however, reimbursement amounts are not included in the totals above.

Each Director also received an annual restricted stock grant issued pursuant to the Company s 2012 Plan. The value of the restricted stock grant was based on an annual value of $100,000. The number of shares in the

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grant is based on the fair market value of the Company s common stock as of the grant date. The board determined that the fair market value should be determined based on the trading of the Company s stock on the OTCQB Market. The trading closing value as of the grant date of June 4, 2014 was $2.79 per share, resulting in a grant of 35,856 shares per director. In addition, effective February 10, 2014, we issued 250,000 restricted shares to members of our Corporate Strategy and Development Committee and our Chairman, Michael Willingham.

In 2013, our board upon recommendation of the Compensation Committee adopted a policy that the annual restricted stock grant to directors will, subject to availability of sufficient shares reserved under the 2012 Plan, be automatically granted without any further action by the Compensation Committee or board to each outside director elected by the shareholders to serve another term on the day of our annual meeting of shareholders, at a stock price equal to the closing price of our common stock on the OTCQB on the grant date. Generally, grants of restricted stock to our directors vest in three equal installments on March 19 of each year over a three year period, subject to continued service as a director through the vesting dates. The 2014 restricted stock grant will be fully vested on March 19, 2017. The shares also immediately vest in the event of a Change of Control, as defined in the 2012 Plan.

Directors are subject to stock ownership guidelines that require each director to, at all times during service on the board, hold shares of WMIHC s stock equal to 50% of the aggregate number of shares awarded to the director as director compensation and that have vested. To monitor the guideline, board members are not permitted to sell WMIHC shares without Compensation Committee approval.

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SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

Stock Ownership Table

The following table sets forth as of December 19, 2014 (or such later time as indicated in the footnotes to this table) certain information regarding the beneficial ownership of our common stock and preferred stock by each person, or group of affiliated persons, known to us to be the beneficial owner of more than 5% of our outstanding shares of common stock or preferred stock or other significant beneficial owner.

	Shares Beneficially Owned						
Name and Address	Common Stock[1]	% of Class Owned[1]	Series A Convertible Preferred Stock	% of Class Owned	Series B Convertible Preferred Stock	% of Class Owned[2]	Voting Power %[3]
Appaloosa Investment Limited Partnership I	4,439,185[4]	2.2%			24,067[5]	4.0%	2.8%
Palomino Fund Ltd.	6,662,182[4]	3.3%			24,067[5]	4.0%	3.2%
Thoroughbred Fund L.P.	2,946,035[4]	1.5%			18,067[5]	3.0%	2.0%
Thoroughbred Master Ltd.	2,982,592[4]	1.5%			18,068[5]	3.0%	2.0%
Greywolf Capital Partners II LP	2,796,342[6]	1.4%					0.5%
Greywolf Event Driven Master Fund	4,585,764[6]	2.3%					0.8%
Greywolf Overseas Intermediate Fund	1,299,445[6]	0.6%					0.2%
Greywolf Structured Products Master Fund, Ltd.	2,804,769[6]	1.4%					0.5%
Greywolf Opportunities Fund II, LP	3,325,736[6]	1.6%			14,933[7]	2.5%	1.8%
Greywolf Strategic Master Fund SPC, Ltd. MSP1					38,577[7]	6.4%	3.2%
GCP Europe SARL					30,221[7]	5.0%	2.5%
Serengeti Multi-Series Master LLC Series E					15,000[8]	2.5%	1.2%
Serengeti Opportunities MM L.P.					15,000[8]	2.5%	1.2%
Rapax OC Master Fund, Ltd.					10,000[8]	1.7%	0.8%
Teacher Retirement System of Texas					40,000[9]	6.7%	3.3%
Ivy Asset Strategy Fund					31,000[10]	5.2%	2.5%

Waddell & Reed Asset Strategy Fund					3,700[10]	0.6%	0.3%
Ivy VIP Asset Strategy Fund					1,700[10]	0.3%	0.1%
JNL Asset Strategy					3,400[10]	0.6%	0.3%
IGI Asset Strategy					200[10]	0.0%	0.0%
KKR Fund Holdings L.P.	71,465,629[11]	26.1%	1,000,000[11]	100.0%			13.2%
KKR Wand Investors L.P.					200,000[11][12]	33.3%	16.4%

(1) Percentages have been calculated based on 202,343,245 shares of our common stock and 1,000,000 shares of our Series A Convertible Preferred Stock issued and outstanding as of December 19, 2014, except the percentage for KKR Fund with respect to common stock has been calculated assuming the conversion of the Series A Convertible Preferred Stock and exercise of the warrants owned by KKR Fund. Does not reflect mandatory conversion of the Series B Convertible Preferred Stock issued on January 5, 2015 because the Series B Convertible Preferred Stock is not convertible at the option of the holders.

(2) Percentages have been calculated based on 600,000 shares of our Series B Convertible Preferred Stock issued and outstanding as of January 5, 2015.

(3) Based on the total amount of shares of common stock issued and outstanding as of January 5, 2015, calculated (i) assuming the exercise of the outstanding warrants, (ii) to include conversion of the Series A Convertible Preferred Stock, and (iii) to include conversion of the Series B Convertible Preferred Stock using the Initial Conversion Price.

(4) This information as to beneficial ownership is based on representations made to the Company in December 2014 by and on behalf of Appaloosa Investment Limited Partnership I (AILP), Palomino Fund Ltd. (Palomino), Thoroughbred Fund L.P. (TFLP) and Thoroughbred Master Ltd. (TML). According to a Schedule 13G filed by Appaloosa Partners Inc. (API) with the SEC on February 14, 2013 by and on behalf of AILP, Palomino, TFLP, TML, Appaloosa Management L.P. (AMLP), API and David A. Tepper (Mr. Tepper), Mr. Tepper is the sole shareholder and the President of API. API is the general partner of, and Mr. Tepper owns a majority of the limited partnership interests in,

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AMLP. AMLP is the general partner of AILP and TFLP, and acts as investment advisor to Palomino and TML. According to the Schedule 13G, each of these persons has shared voting and dispositive power, and AMLP, API and Mr. Tepper beneficially own, in the aggregate, 17,029,994 shares of common stock, or 8.4% of the class. The address for all of these persons is 51 John F. Kennedy Parkway, Short Hills, New Jersey 07078.

(5) This information as to beneficial ownership is based on representations made by and on behalf of AILP, Palomino, TFLP and TML to the Company in December 2014.

(6) This information as to beneficial ownership is based on a Schedule 13G/A filed by Greywolf Capital Management LP (GCMLP) with the SEC on February 17, 2015. The Schedule 13G/A was filed by and on behalf of Greywolf Capital Partners II LP (GCP II), Greywolf Event Driven Master Fund (GEDMF), Greywolf Overseas Intermediate Fund (GOIF), Greywolf Structured Products Master Fund, Ltd. (GSPMF), Greywolf Opportunities Fund II, LP (GOF II and together with GCP II, GEDMF, GOIF and GSPMF, the Greywolf Funds), Greywolf Advisors LLC (GALLC), GCMLP, Greywolf GP LLC and Jonathan Savitz (Mr. Savitz). According to the Schedule 13G/A, each of the Greywolf Funds has beneficial ownership of shares of common stock as set forth above as of December 31, 2014. GALLC, as the general partner of GCP II, may be deemed to beneficially own shares held by GCP II. Each of GCMLP, as the investment manager of the Greywolf Funds, Greywolf GP LLC, as the general partner of GCMLP, and Mr. Savitz, as the managing member of Greywolf GP LLC, may be deemed to beneficially own, shares held by the Greywolf Funds. Each of GALLC, GCMLP, Greywolf GP LLC and Mr. Savitz disclaims any beneficial ownership of such shares. The address for all of these persons other than GEDMF, GOIF and GSPMF is 4 Manhattanville Road, Suite 201, Purchase, NY 10577. The address for GEDMF and GOIF is 89 Nexus Way, Camana Bay, Grand Cayman KY19007. The address for GSPMF is Ugland House, P.O. Box 309, South Church Street, George Town, Grand Cayman KY1-1104.

(7) This information as to beneficial ownership is based on representations made to the Company in December 2014 by GOF II, Greywolf Strategic Master Fund SPC, Ltd. MSP1 (Greywolf MSP1) and GCP Europe SARL (GCP Europe). According to such representations, (i) Greywolf MSP1 is owned approximately 36% by GOIF and approximately 64% by unaffiliated investors and (ii) GCP Europe is owned approximately 45% by GOIF and approximately 55% by GCP II and is independently managed. The address for GOF II and Greywolf MSP1 is c/o Greywolf Capital Management LP, 4 Manhattanville Road, Suite 201, Purchase, New York 10577, and the address for GCP Europe is 21-25, Allee Scheffer, L-2520 Luxembourg.

(8) This information as to beneficial ownership is based on representations made to the Company in December 2014 by Serengeti Multi-Series Master LLC Series E, Serengeti Opportunities MM L.P. and Rapax OC Master Fund Ltd., in each case, by Serengeti Asset Management LP, as investment advisor of each. The address for each of these entities is 632 Broadway, New York, New York 10012.

(9) This information as to beneficial ownership is based on representations made by Teacher Retirement System of Texas to the Company in December 2014. The address for Teacher Retirement System of Texas is 1000 Red River Street, Austin, Texas 78701.

(10) This information as to beneficial ownership is based on representations made to the Company by and on behalf of Ivy Asset Strategy Fund, Waddell & Reed Asset Strategy Fund, IVY VIP Asset Strategy Fund, JNL Asset Strategy and IGI Asset Strategy. The address for all of these entities is c/o Waddell & Reed, 6300 Lamar Avenue, Overland Park, Kansas 66201.

(11) This information as to beneficial ownership is based on a Schedule 13D filed by KKR Fund with the SEC on January 7, 2015. The Schedule 13D was filed by and on behalf of KKR Fund, KKR Fund Holdings GP Limited (KKR Fund Holdings GP), KKR Group Holdings L.P. (KKR Group Holdings), KKR Group Limited (KKR Group), KKR & Co. L.P. (KKR & Co.), KKR Management LLC (KKR Management), Henry R. Kravis (Mr. Kravis) and George R. Roberts (Mr. Roberts). KKR Fund Holdings GP is a general partner of KKR Fund Holdings. KKR Group Holdings is the sole shareholder of KKR Fund Holdings GP and a general partner of KKR Fund Holdings. KKR Group is the general partner of KKR Group Holdings. KKR & Co. is the sole shareholder of KKR Group. KKR Management is the general partner of KKR & Co. Messrs. Kravis and Roberts are officers and the designated members of KKR Management. The address for KKR Fund is c/o Kohlberg Kravis Roberts & Co.

L.P., 9 West 57th Street, Suite 4200, New York, New York 10019.

According to the Schedule 13D, each of KKR Fund, KKR Fund Holdings GP, KKR Group Holdings, KKR Group, KKR & Co., KKR Management, Mr. Kravis and Mr. Roberts may be deemed to be the beneficial owner of 71,465,629 shares of our common stock, which includes 1,000,000 shares of our Series A Convertible Preferred Stock held directly by KKR Fund, on an as-converted basis, having the terms, rights, obligations and preferences contained in a certificate of designation of WMIHC s Series A Convertible Preferred Stock (including a conversion price, subject to adjustment, of $1.10 per share), and Warrants to purchase, in the aggregate, 61,400,000 shares of WMIHC common stock, 30,700,000 of which have an exercise price of $1.32 per share and 30,700,000 of which have an exercise price of $1.43 per share. According to the Schedule 13D, each of KKR Fund Holdings GP (as a general partner of KKR Fund

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Holdings), KKR Group Holdings (as the sole shareholder of KKR Fund Holdings GP and a general partner of KKR Fund Holdings), KKR Group (as the general partner of KKR Group Holdings), KKR & Co. (as the sole shareholder of KKR Group), KKR Management (as the general partner of KKR & Co.), and Messrs. Kravis and Roberts (as the designated members of KKR Management), may be deemed to be the beneficial owner of the securities beneficially owned directly by KKR Fund, and each disclaims beneficial ownership of the securities. Based on the Initial Conversion Price of the Series B Convertible Preferred Stock, upon a full mandatory conversion of the Series B Convertible Preferred Stock, KKR Fund (inclusive of shares owned by KKR Wand Investors L.P.) may be deemed to have total voting power over 160,354,517 shares (or approximately 29.6%) of our common stock.

(12) This information as to beneficial ownership is based on disclosures in a Schedule 13D filed by KKR Fund with the SEC on January 7, 2015. KKR Wand GP LLC, a Delaware limited liability company, is the general partner of KKR Wand Investors L.P. KKR Wand GP LLC is a wholly-owned subsidiary of KKR Fund. The address for KKR Wand Investors L.P. is c/o Kohlberg Kravis Roberts & Co. L.P., 9 West 57th Street, Suite 4200, New York, New York 10019.

The following table sets forth as of February 27, 2015, certain information regarding the beneficial ownership of our common stock by: (a) each current director and nominee for election as director of WMIHC; (b) each executive officer of WMIHC; and (c) all current directors and executive officers of WMIHC as a group.

The business address for each of our directors and/or named executive officers listed below is 1201 Third Avenue, Suite 3000, Seattle, Washington 98101.

	Shares of Common Stock Beneficially Owned	
Name	**Total[1]**	**Percent of Class[1]**
Directors and Expected Appointees		
Michael Willingham	383,538	*
Eugene I. Davis	399,035	*
Diane B. Glossman	349,035	*
Timothy R. Graham	299,035	*
Mark E. Holliday	299,035	*
Michael Renoff	349,035	*
Steven D. Scheiwe	299,035	*
Tagar C. Olson (expected appointee)	-0-	0%
Paul E. Raether (expected appointee)	-0-	0%
William C. Gallagher (expected appointee)	-0-	0%
Thomas L. Fairfield (expected appointee)	-0-	0%
Named Executive Officers		
Charles Edward Smith	-0-	0%
Timothy F. Jaeger	-0-	0%
Current Executive Officers and Directors as a Group (9 persons)	2,377,748	1.1%

* Less than one percent.

(1)

Unless otherwise indicated, each person has sole voting and dispositive power over the shares listed opposite his or her name. All percentages have been calculated based on 202,343,245 shares of our common stock issued and outstanding as of January 5, 2015.

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Exchange Act requires WMIHC s directors and officers and persons who beneficially own more than 10% of the outstanding shares of WMIHC s common stock (10% shareholders) to file with the SEC initial reports of beneficial ownership (Form 3) and reports of changes in beneficial ownership (Forms 4 and 5) of such shares. To WMIHC s knowledge, based solely upon a review of the copies of Forms 3, 4 and 5 (and amendments thereto) furnished to WMIHC or otherwise in its files or publicly available, all of WMIHC s officers, directors and 10% shareholders complied in a timely manner with all applicable Section 16(a) filing requirements during the fiscal year ended 2014.

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EXECUTIVE OFFICERS

The names, ages, positions and backgrounds of WMIHC s current executive officers are as follows:

Name	Age	Position Held Since	Current Position(s) with WMIHC and Background
Charles Edward Smith	45	March 19, 2012	Mr. Smith has served as President, Interim Chief Executive Officer, Interim Chief Legal Officer and Secretary of the Company since March 19, 2012. In addition, since March 19, 2012, Mr. Smith has served as the General Counsel, Executive Vice President and Secretary of the Trust. From November 2008 to March 2012, Mr. Smith served as General Counsel, Executive Vice President and Secretary of WMIHC s predecessor Washington Mutual, Inc. (WMI), including during the significant portion of its Chapter 11 bankruptcy. Prior to that, he briefly served as First Vice President and Assistant General Counsel (Team Lead-Corporate Finance) for the financial institution JPMorgan Chase Bank, N.A. from September 2008 to November 2008. From November 2002 to September 2008, Mr. Smith was First Vice President and Assistant General Counsel (Team Lead-Corporate Finance) for Washington Mutual, where he led a team of lawyers who supported Washington Mutual s capital, liquidity, mergers and acquisitions and structured finance activities.
Timothy F. Jaeger	56	May 28, 2012	Mr. Jaeger has served as Interim Chief Financial Officer since June 25, 2012 and Interim Chief Accounting Officer since May 28, 2012. Mr. Jaeger is a Certified Public Accountant with over 25 years of accounting experience. Most recently, from December 2006 to March 2012, Mr. Jaeger served as Senior Vice President-Chief Accounting Officer/CFO of Macquarie AirFinance, Ltd., a global aviation lessor providing aircraft and capital to the world s airlines. From November 2006 to December 2009, Mr. Jaeger was a partner of Tatum Partners, LLC, an executive services and consulting firm in the United States.

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

Overview

This compensation discussion and analysis discusses the principles underlying our executive compensation program and the important factors relevant to the analysis of the compensation of our executive officers in 2014. Our Interim Chief Executive Officer and Interim Chief Financial Officer are referred to as our Named Executive Officers.

Compensation Objectives and Philosophy

Due to the nature of the Company s business transition and emergence from Chapter 11 bankruptcy, the primary objectives of the 2014 executive compensation programs established by the Compensation Committee were to retain executive officers and employees capable of: (a) ensuring the Company s compliance, including with respect to the Indentures and the Financing Agreement; (b) operating the Company s reinsurance subsidiary,

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WM Mortgage Reinsurance Company, Inc. (WMMRC), in runoff mode; and (c) complying with the periodic disclosure and other obligations of a publicly traded company. Although requested to provide assistance as required, our executive officers are not primarily responsible for the Company s primary business objective of identifying and assessing potential acquisitions and developing business investment opportunities as that responsibility rests with the board and its Corporate Strategy and Development Committee. As such, during this transition period, the compensation objectives did not include providing compensation incentives for achieving performance objectives. To achieve the objectives of attracting and retaining suitable executive officers, the 2014 executive compensation philosophy was comprised of the following key principles:

- establish executive compensation appropriate for the varying degrees of executive responsibility, accountability and impact on the Company s business;
- ensure compensation is reasonably competitive relative to similarly sized companies, taking into account that our only operating business is WMMRC, which is being operated in runoff mode; and
- ensure a flexible compensation structure to facilitate acquisitions or restructurings and the hiring of permanent officers, including a chief executive officer and chief financial officer.

At our 2014 annual meeting of shareholders, 95% of the shareholders who voted on the advisory shareholder vote on executive compensation (excluding abstentions and broker non-votes) voted in favor of the proposal. The Compensation Committee determined not to make any changes to the compensation programs after considering the vote. Compensation levels reviewed and approved by the Compensation Committee for the Named Executive Officers for fiscal 2014 are not materially changed from those approved for the prior year.

Business Context for Compensation Decisions

The 2014 compensation program for Named Executive Officers was influenced by the desire to retain interim executives providing services on an independent contractor basis, which the board believes will facilitate the Company s ability to transition to the appropriate permanent executive officers as the Company determines its future business strategy and implements its acquisition strategy. The board determined that given their background experience, Messrs. Smith and Jaeger were appropriately positioned for their respective interim roles for purposes of maintaining operational stability and continuity while the board makes progress on positioning the Company for future growth. The board also determined that these executive officers would be most cost-effectively employed through the independent contractor structure, rather than a full time employment position. In addition, the Company has two employees that are subject to employment agreements, but are not executive officers.

The discussion that follows elaborates on the decision-making process governing the compensation of our Named Executive Officers, our compensation philosophy, and the specific elements of compensation paid to our Named Executive Officers in 2014.

Role of the Compensation Committee

The Compensation Committee of the board of directors is responsible for the oversight of our executive compensation program. Each director who served on the Compensation Committee in 2014 was, and each current member of the Compensation Committee is, a non-employee director within the meaning of SEC Rule 16b-3, an outside director

within the meaning of IRC Section 162(m) of the Internal Revenue Code of 1986, as amended, and an independent director under NASDAQ listing standards. The Compensation Committee s purpose is to discharge the board s responsibilities relating to compensation of our executive officers and to adopt policies that govern our compensation and benefit programs in a manner that supports both our short and long term business strategies. The Compensation Committee has overall responsibility for approving and evaluating our executive officer compensation plans, policies and programs. The Compensation Committee may delegate authority to subcommittees, retain or terminate compensation consultants and obtain advice and assistance from internal or external legal, accounting or other advisers.

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Role of Compensation Committee Consultants in Compensation Decisions

Under its charter, the Compensation Committee may periodically engage independent compensation consultants to provide assistance and advice as it discharges its responsibilities under its written charter. The duties of compensation consultants engaged by the Compensation Committee may include periodically reviewing the Company s compensation programs to confirm that they are consistent with the executive compensation philosophy and objectives established by the Compensation Committee. Compensation consultants may also advise the Compensation Committee on emerging trends and issues related to the compensation of executive officers and directors and provide recommendations on the appropriate composition of peer group and market data sources to be used by the Compensation Committee as reference points for executive compensation decisions. In 2014, the Compensation Committee did not retain the services of an independent third party compensation consultant.

Elements of Compensation

Since our emergence from Chapter 11 bankruptcy, the primary element of compensation for our Named Executive Officers is cash compensation paid for services provided to WMIHC by each of these individuals pursuant to the Transition Services Agreement, in the case of Mr. Smith, and the Engagement Agreement, in the case of Mr. Jaeger. Messrs. Smith and Jaeger negotiated their respective compensation arrangements with WMIHC. The terms of both those agreements were negotiated with the Chairman of the board and approved by the board of directors and the Compensation Committee. The compensation arrangements contained therein were considered to be adequate for purposes of supporting the current goals and objectives of the Company.

The cash compensation compensates the executive officers for services rendered in fulfilling their day-to-day roles and responsibilities needed to run the business as it currently exists. The amount of cash compensation for Named Executive Officers was determined for each interim executive based on position, responsibility, and experience (including, in the case of Mr. Smith, familiarity with the Company s past and current operations). Given the interim nature of the engagements and the simplicity of the compensation structure, as well as the dearth of similarly situated companies, the Compensation Committee did not conduct a specific analysis of compensation of executives at peer companies; however, based on the experience of the board members and the Compensation Committee members, the Compensation Committee determined that the cash compensation level was appropriate under our circumstances.

Because of the interim nature of our current executive positions, our Named Executive Officers generally are not provided with any performance-based cash incentive compensation, discretionary cash bonus awards, retention arrangements, equity incentive compensation, benefits, perquisites, severance or change in control benefits. However, as disclosed in the 2014 Summary Compensation Table, our Interim Chief Executive Officer was awarded a discretionary cash bonus by our board of directors in 2014.

Compensation of the Chief Executive Officer

Mr. Smith has served as Interim Chief Executive Officer since our emergence from Chapter 11 bankruptcy on March 19, 2012 (the Emergence Date). See the 2014 Summary Compensation Table below. Mr. Smith is compensated pursuant to the Transition Services Agreement with the Trust, Mr. Smith s employer, at an hourly rate and not to exceed 40 hours per month (unless otherwise consented to by the parties). Mr. Smith has regularly worked more than 40 hours per month, for which the Trust has been compensated accordingly pursuant to the Transition Services Agreement.

Deductibility of Executive Compensation

Section 162(m) of the Internal Revenue Code of 1986, as amended, generally limits the federal corporate income tax deduction for compensation paid by a public company to its chief executive officer and certain other

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executive officers to $1 million in the year the compensation becomes taxable to the executive, unless the compensation is performance-based compensation or qualifies under certain other exceptions. No executive was paid an amount in 2014 where this provision would have been applicable. The Compensation Committee intends to seek to qualify executive compensation for deductibility under Section 162(m) to the extent consistent with the best interests of the Company. Since corporate objectives may not always be consistent with the requirements for full deductibility, it is conceivable that we may enter into compensation arrangements in the future under which payments are not deductible under Section 162(m). Deductibility will not be the sole factor used by the Compensation Committee in ascertaining appropriate levels or modes of compensation.

Compensation Recovery Policy

The Company does not have any incentive based compensation tied to performance at this time. Therefore, the Company has not implemented a policy regarding retroactive adjustments to any cash or incentive compensation paid to our executive officers and other employees where the payments were predicated upon the achievement of financial results that were subsequently the subject of a financial restatement. Our Compensation Committee intends to adopt a general compensation recovery (or clawback) policy covering our annual and long-term incentive award plans and arrangements after the SEC adopts final rules implementing the requirement of Section 954 of the Dodd-Frank Wall Street Reform and Consumer Protection Act. In addition, if the Company is required to restate its financial results due to material noncompliance with any financial reporting requirements under the federal securities laws, our chief executive officer and chief financial officer may be legally required to reimburse us for any bonus or other incentive-based or equity-based compensation they receive pursuant to the provisions of Section 304 of the Sarbanes-Oxley Act of 2002.

2014 Summary Compensation Table

The following table summarizes information regarding compensation for the three fiscal years ended December 31, 2014, 2013 and 2012, earned by our Named Executive Officers:

SUMMARY COMPENSATION TABLE

Name and Principal Position[1]	Year	Salary ($)	Bonus ($)	Total ($)
Charles Edward Smith[2]	2014	372,425	15,000	387,425
President, Interim Chief Executive Officer,	2013	259,719		259,719
Interim Chief Legal Officer and Secretary	2012	252,186	64,211	316,397
Timothy F. Jaeger[3]	2014	240,000		240,000
Interim Chief Financial Officer and	2013	240,000		240,000
Interim Chief Accounting Officer	2012	120,000		120,000

(1) Reflects principal position as of December 31, 2014.

(2) In fiscal year 2014, WMIHC paid the Trust $372,425 on account of services provided by Mr. Smith to WMIHC pursuant to the Transition Services Agreement. In fiscal year 2013, WMIHC paid the Trust $259,719 on account of services provided by Mr. Smith to WMIHC pursuant to the Transition Services Agreement. In fiscal year 2012, of the total $316,397 paid for Mr. Smith s services, $88,408 in salary and $64,211 as a prorated bonus was paid for

services rendered in 2012 prior to the Emergence Date. For the balance of 2012, following the Emergence Date, WMIHC paid the Trust $163,778 on account of services provided by Mr. Smith to WMIHC pursuant to the Transition Services Agreement.

(3) Mr. Jaeger was not compensated by the Company directly; rather, payments were made to CXOC, an entity owned by Mr. Jaeger, pursuant to the Engagement Agreement.

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Narrative to Summary Compensation Table

Prior to the Emergence Date, Mr. Smith served as Executive Vice President, General Counsel and Secretary of WMI, and was compensated pursuant to the terms of his employment arrangement with WMI. Mr. Smith was awarded a prorated discretionary bonus by WMI in 2012 for services rendered prior to the Emergence Date. Since the Emergence Date, WMIHC has had only two executive officers, Mr. Smith and Mr. Jaeger, both of whom are independent contractors, paid solely cash compensation pursuant to the terms of their respective compensation arrangements with WMIHC.

Mr. Smith provides services to WMIHC, as Interim Chief Executive Officer, pursuant to the Transition Services Agreement with the Trust, Mr. Smith s employer. WMIHC pays the Trust an hourly rate of approximately $428 (inclusive of overhead charges) for Mr. Smith s services. Mr. Smith provides a maximum of 40 hours per month pursuant to the Transition Services Agreement (unless otherwise consented to by the parties). Mr. Smith has regularly worked more than 40 hours per month, for which the Trust has been compensated accordingly pursuant to the Transition Services Agreement.

Mr. Jaeger has provided services as Interim Chief Accounting Officer since May 28, 2012 and Interim Chief Financial Officer since June 25, 2012 pursuant to an Engagement Agreement with CXOC, which is owned by Mr. Jaeger. The rate of compensation under the Engagement Agreement was initially $15,000 per month, but was increased to $20,000 per month effective October 1, 2012 to reflect the increased time commitment required of Mr. Jaeger to fulfill the duties of Interim Chief Financial Officer. WMIHC also reimburses CXOC for related out of pocket expenses, which are not reflected in the Summary Compensation Table. The Engagement Agreement renews for successive three-month terms, unless either party terminates with 30 days notice prior to the termination of the applicable term.

Potential Payments upon Termination or Change-in-Control

WMIHC has no obligation for severance and other benefits payable to the Named Executive Officers following termination of employment or a change-in-control of WMIHC.

Compensation Committee Interlocks and Insider Participation

No member of the Compensation Committee is an executive officer or former officer of the Company. In addition, no executive officer of the Company served on the board of directors of any entity whose executive officers included a director of the Company.

REPORT OF THE COMPENSATION COMMITTEE

The Report of the Compensation Committee shall not be deemed incorporated by reference by any general statement incorporating this Proxy Statement into any filing under the Securities Act of 1933, as amended, or under the Exchange Act, except to the extent that WMIHC specifically incorporates this information by reference, and shall not otherwise be deemed filed under such Acts.

In accordance with the terms of its charter, the Compensation Committee on behalf of the board of directors oversees WMIHC s executive compensation programs, including payments and awards, if any, to its executive officers and directors. The Compensation Committee has overall responsibility for approving and evaluating WMIHC s director and executive officer compensation plans, policies and programs and addressing other compensation issues facing WMIHC that require board action. The Compensation Committee is also responsible for reviewing and discussing with management and recommending to the board of directors the Compensation Discussion and Analysis for

inclusion in WMIHC s annual Proxy Statement, in accordance with applicable SEC regulations.

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In discharging its responsibilities, the Compensation Committee:

- reviewed and discussed with management the Compensation Discussion and Analysis included in this Proxy Statement; and
- based upon its review and discussions, the Compensation Committee recommended to the board of directors that the Compensation Discussion and Analysis be included in this Proxy Statement and WMIHC s Annual Report on Form 10-K for the fiscal year ended December 31, 2014, through its incorporation by reference from the Proxy Statement.

Submitted by the Compensation Committee of the Board of Directors:

Steven D. Scheiwe (Committee Chair) Eugene I. Davis Timothy R. Graham

REPORT OF THE AUDIT COMMITTEE

The Report of the Audit Committee shall not be deemed incorporated by reference by any general statement incorporating this Proxy Statement into any filing under the Securities Act of 1933, as amended, or under the Exchange Act, except to the extent that WMIHC specifically incorporates this information by reference, and shall not otherwise be deemed filed under such Acts.

In discharging its responsibilities, the Audit Committee and its individual members have met with management and WMIHC s independent auditors, Burr Pilger Mayer, Inc., to review WMIHC s accounting functions and the audit processes for WMIHC s financial statements and system of internal control over financial reporting. The Audit Committee reviewed and discussed with WMIHC s independent auditors and management the audited financial statements for the 2014 fiscal year. It also discussed with the independent auditors all other matters that the independent auditors were required to communicate and discuss with the Audit Committee under applicable auditing standards, including those described in Statement on Auditing Standards No. 61, as amended, as adopted by the Public Company Accounting Oversight Board in Rule 3200T, regarding communications with audit committees. Audit Committee members also discussed and reviewed the results of the independent auditors examination of WMIHC s financial statements, management s assessment of WMIHC s system of disclosure controls and procedures, external financial reporting and internal control over financial reporting, and issues relating to auditor independence. The Audit Committee has received the written disclosures and the letter from the independent auditors required by applicable requirements of the Public Company Accounting Oversight Board regarding the independent auditors communications with the Audit Committee concerning independence and has discussed with the independent auditors their independence.

Based on its review and discussions with management and the independent auditors, the Audit Committee recommended to the board of directors that the audited financial statements for the fiscal year ended December 31, 2014 be included in WMIHC s Annual Report on Form 10-K for filing with the SEC.

Submitted by the Audit Committee of the Board of Directors:

Mark E. Holliday (Committee Chair) Steven D. Scheiwe Michael Willingham

MATTERS RELATING TO OUR AUDITORS

Selection of Independent Auditors

The Audit Committee has appointed and engaged Burr Pilger Mayer, Inc. to be WMIHC s independent auditors for the Company s fiscal year ending December 31, 2015. Burr Pilger Mayer, Inc. was also engaged by

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the Audit Committee to audit WMIHC s financial statements for the fiscal years ended December 31, 2014, December 31, 2013 and December 31, 2012. A representative of Burr Pilger Mayer, Inc. is expected to either be present or available by phone at the Annual Meeting and will have the opportunity to make a statement if he or she desires to do so. Such representative will be available to respond to appropriate questions. As described under the Proposal 2 Ratification of Appointment of Independent Registered Public Accounting Firm section of this Proxy Statement, the shareholders are being asked to ratify the selection of Burr Pilger Mayer, Inc. as our independent auditors for the fiscal year ending December 31, 2015.

On April 10, 2012, the Audit Committee approved the appointment of Burr Pilger Mayer, Inc. as the Company s independent registered public accounting firm, effective immediately, to perform independent audit services for the Company. Prior to the appointment of Burr Pilger Mayer, Inc., neither the Company, nor anyone on its behalf, had consulted with Burr Pilger Mayer, Inc. during the Company s two most recent fiscal years and for fiscal 2012 through April 10, 2012, in any matter regarding: (a) either the application of accounting principles to a specified transaction, either completed or proposed, or the type of audit opinion that might be rendered on the Company s financial statements, and no written report or oral advice was provided to the Company that Burr Pilger Mayer, Inc. concluded was an important factor considered by the Company in reaching a decision as to any accounting, auditing or financial reporting issue; or (b) any matter that was the subject of a disagreement (as contemplated in Item 304(a)(1)(iv) of Regulation S-K and the related instructions) or a reportable event (as described in Item 304(a)(1)(v) of Regulation S-K).

Fees Paid to Principal Independent Auditors

The following fees for professional services were billed by Burr Pilger Mayer, Inc. during fiscal years 2014 and 2013:

	2014	2013
Audit Fees[1]	$ 364,500	$ 350,475
Audit-Related Fees[2]	37,952	15,225
Tax Fees		
All Other Fees		
Total	$ 402,452	$ 365,000

(1) Consists of fees for services involving the audit of WMIHC s consolidated financial statements, review of interim quarterly statements, and provision of an attestation report on WMIHC s internal control over financial reporting as required by Section 404 of the Sarbanes-Oxley Act of 2002.

(2) Refers to fees for assurance and related services that are traditionally performed by the independent auditor and are not reported as audit fees. These audit-related services may include due diligence services relating to mergers and acquisitions, accounting consultation and audits relating to acquisitions, attest services related to financial reporting not required by statute or regulation, consultation concerning financial accounting and reporting standards not classified as audit fees, and financial audits of employee benefit plans.

Pre-Approval Policy

The Audit Committee has adopted a general policy requiring pre-approval of all fees and services of WMIHC s independent auditors, including all audit, audit-related, tax and other legally-permitted services. All audit and

permissible non-audit services provided by Burr Pilger Mayer, Inc. during fiscal years 2014, 2013 and 2012 were pre-approved by the Audit Committee.

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CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

Relationship with KKR

Voting Agreement

In connection with the Series B Convertible Preferred Stock Offering, on December 19, 2014, the Company entered into a Voting Agreement with KKR Fund. See Meeting and Voting Information Voting; Quorum; Vote Required.

KKR Side Letter

In connection with the Series B Convertible Preferred Stock Offering, on December 19, 2014, KKR Fund and KKR Management agreed in a Side Letter with WMIHC that they will not (i) convert any or all of the Series A Convertible Preferred Stock, (ii) exercise the right to acquire common stock of WMIHC, in whole or in part, under the Warrants or (iii) offer, sell, assign, transfer, or otherwise dispose of any of the Series A Convertible Preferred Stock or Warrants, in either case until on or after March 20, 2015.

Indemnification Agreement

In connection with the Series B Convertible Preferred Stock Offering, on December 19, 2014, the Company entered into an indemnification agreement with KKR and Mr. Olson (who will be a KKR designee to our board of directors upon the reincorporation), pursuant to which the Company will indemnify KKR and Mr. Olson for liabilities arising out of the Series B Convertible Preferred Stock Offering.

Note Purchase Agreement

On January 30, 2014, WMIHC and the guarantors party thereto entered into the Note Purchase Agreement with KKR Management. Pursuant to the terms and conditions of the Note Purchase Agreement, KKR Management committed to purchase $150 million aggregate principal amount (at issuance) of subordinated unsecured 7.50% PIK notes (the Subordinated Notes) from the Company.

On December 19, 2014, the parties to the Note Purchase Agreement executed the NPA Amendment that will have the effect of terminating the Note Purchase Agreement immediately following the consummation of the reincorporation, in which case WMIHC will no longer have access to this funding arrangement. The amendment to the Note Purchase Agreement also waives any and all defaults, events of default and rights to terminate the Note Purchase Agreement arising as a result of the Series B Convertible Preferred Stock Offering and permits the performance of, and compliance with, all of the terms of the Series B Convertible Preferred Stock. Unless and until the reincorporation is consummated, the Note Purchase Agreement will remain in effect as described in more detail below, subject to its terms as amended by the amendment. See Proposal 3 Approval to Reincorporate WMI Holdings Corp. from the State of Washington to the State of Delaware Termination of Note Purchase Agreement.

Under the Note Purchase Agreement as still in effect, the Subordinated Notes may be issued by WMIHC, at WMIHC s option, in one or more tranches over a three year period, subject to certain terms and conditions, including the conditions that (i) all or substantially all of the proceeds from the issuance of the Subordinated Notes are used by WMIHC to fund the acquisition of the assets of, or equity interests of, or a business line, unit or division of, any entity that has been approved by the board of directors, (ii) no defaults or events of default shall have occurred under the Note Purchase Agreement and (iii) no violation of certain provisions of the Investor Rights Agreement shall have occurred. KKR Management may refuse to purchase Subordinated Notes from WMIHC in the event that a third party

(other than KKR or any of its affiliates) (i) has completed a successful proxy contest against WMIHC or (ii) has publicly initiated or threatened to initiate a proxy contest and, in connection therewith, such third party is granted the right to designate more than one nominee to the Board of Directors. Upon such refusal, KKR Management will automatically forfeit a percentage of Warrants described below in Investment Agreement.

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Each Subordinated Note will mature on the date that is seven years from the date that the initial Subordinated Note is first issued (the Initial Issue Date). Interest on the Subordinated Notes is due semi-annually and will be paid entirely by capitalizing accrued and unpaid interest on each interest payment date and adding the same to the principal amount of the Subordinated Notes then outstanding. Following an increase in the principal amount of the outstanding Subordinated Notes as a result of the capitalization of accrued interest, interest will accrue on such increased principal amount from and after the date of such interest capitalization.

The Subordinated Notes will be unsecured obligations of WMIHC expressly subordinated in right of payment to the prior payment in full of all existing and future senior indebtedness. The Subordinated Notes will be irrevocably and unconditionally guaranteed, on a joint and several basis, by certain of WMIHC s existing and future subsidiaries.

On and after the date that is three years after the Initial Issue Date, the Subordinated Notes may be redeemed by WMIHC, in whole or in part, at the redemption prices (expressed as a percentage of principal amount of the Subordinated Notes to be redeemed) set forth below, plus accrued and unpaid interest thereon, if any, to the applicable redemption date, if redeemed during the 12-month period beginning on the dates specified below:

Date	Percentage
3rd anniversary of the initial issue date	103.750%
4th anniversary of the initial issue date	101.875%
5th anniversary of the initial issue date and thereafter	100.000%

Prior to the date that is three years after the Initial Issue Date, the Subordinated Notes may be redeemed by WMIHC, in whole or in part, at a redemption price equal to 100% of the principal amount of Subordinated Notes redeemed plus a make whole premium calculated in the manner set forth in the Note Purchase Agreement.

The Note Purchase Agreement contains covenants that, among other things, limit WMIHC and WMIHC s restricted subsidiaries ability to:

incur additional indebtedness;

(i) pay dividends or make other distributions, (ii) purchase, redeem or retire the capital stock of WMIHC, (iii) pay, purchase or redeem, prior to scheduled maturity, certain subordinated obligations and (iv) make certain restricted investments;

incur or suffer to exist liens;

allow to exist certain restrictions on the ability of WMIHC s restricted subsidiaries to pay dividends or make other payments to WMIHC;

designate WMIHC s subsidiaries as unrestricted subsidiaries;

enter into transactions with affiliates;

dispose of assets; or

consolidate, merge or sell all or substantially all of WMIHC s assets.

Additionally, the Note Purchase Agreement contains covenants that require WMIHC to:

file reports with the SEC within certain time periods;

cause certain future restricted subsidiaries to guarantee the Subordinated Notes; and

make an offer to purchase Subordinated Notes from holders in the event of certain types of change of control of WMIHC or in certain circumstances related to the sale of WMIHC s or a restricted subsidiary s assets.

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The covenants are subject to a number of important exceptions, limitations and qualifications set forth in the Note Purchase Agreement.

The Subordinated Notes have not been registered under the Securities Act and may not be sold or transferred in the United States without registration or an applicable exemption from the registration requirements.

WMIHC has not issued any Subordinated Notes as of the date of this Proxy Statement.

Investment Agreement

On January 30, 2014, WMIHC entered into an Investment Agreement with KKR Fund (the Investment Agreement). Pursuant to the Investment Agreement, WMIHC sold to KKR Fund 1,000,000 shares of its Series A Convertible Preferred Stock having the terms, rights, obligations and preferences contained in the Washington Charter for a purchase price equal to $11,072,192 and issued to KKR Fund Warrants to purchase, in the aggregate, 61,400,000 shares of WMIHC s common stock, 30,700,000 of which have an exercise price of $1.32 per share and 30,700,000 of which have an exercise price of $1.43 per share.

The Series A Convertible Preferred Stock has rights substantially similar to those associated with WMIHC s common stock, with the exception of a liquidation preference, conversion rights and customary anti-dilution protections. The Series A Convertible Preferred Stock has a liquidation preference equal to the greater of (i) $10.00 per 1,000,000 shares of Series A Convertible Preferred Stock plus declared but unpaid dividends on any such shares and (ii) the amount that the holder of the Series A Convertible Preferred Stock would be entitled to if such holder participated with the holders of shares of common stock then outstanding, pro rata as a single class based on the number of outstanding shares of common stock on an as-converted basis held by each holder as of immediately prior to a liquidation, in the distribution of all our remaining assets and funds available for distribution to our shareholders. The Series A Convertible Preferred Stock is convertible at a conversion price of $1.10 per share (subject to anti-dilution adjustment) into shares of common stock of WMIHC either at the option of the holder or automatically upon transfer by KKR Fund to a non-affiliated party. Further, KKR Fund, as the holder of the Series A Convertible Preferred Stock and the Warrants, has received other rights pursuant to the Investor Rights Agreement as described below.

The Warrants have a five-year term from the date of issuance and are subject to customary structural adjustment provisions for stock splits, combinations, recapitalizations and other similar transactions.

Investor Rights Agreement

On January 30, 2014, WMIHC entered into the Investor Rights Agreement with KKR Fund. KKR Fund s rights as a holder of the Series A Convertible Preferred Stock and the Warrants, and the rights of any subsequent holder that is an affiliate of KKR Fund are governed by the Investor Rights Agreement. Pursuant to the Investor Rights Agreement, for so long as the Holders own 50% of the Series A Convertible Preferred Stock issued as of January 30, 2014 (or the underlying common stock) (the Requisite Preferred Amount), the Holders will have the right to appoint one of seven directors to the board of directors. In addition, for so long as the Holders own the Requisite Preferred Amount, to the extent the board of directors amends the Washington Charter or the Washington Bylaws or passes any other resolution in each case having the effect of increasing the size of the board of directors to greater than seven (7) directors without the consent of the Holders, then from such time as such change in the board of directors becomes effective, the Holders shall have the right to appoint two (2) directors in total.

Additionally, until January 30, 2017, the Holders will have the right to purchase up to 50% of any future equity rights offerings or other equity issuance by WMIHC on the same terms as the equity issued to other investors in such

transactions, in an aggregate amount of such offerings and issuances by WMIHC of up to

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$1 billion (the Participation Rights). The foregoing Participation Rights do not include any issuances of securities by WMIHC constituting any part of the consideration payable by it in connection with any acquisitions or investments (including any rollover equity) or in respect of any employee options or other income compensation. Holders aggregate beneficial ownership of equity securities of WMIHC after giving effect to any equity issuances (and on a pro forma basis after taking into account any acquisitions) shall at no time exceed 42.5% of the equity securities of WMIHC without the prior written consent of WMIHC. Except for the foregoing Participation Rights and the issuance of common stock in respect of the Warrants and the Series A Convertible Preferred Stock, KKR Fund and its affiliates shall not purchase or acquire any equity securities of WMIHC or its subsidiaries without WMIHC s prior written consent, subject to certain exceptions.

In connection with the issuance of the Series A Convertible Preferred Stock and the Warrants, KKR Fund and its affiliates have agreed that, until December 31, 2016, they will not:

- request the call of a special meeting of the shareholders of WMIHC; seek to make, or make, a shareholder proposal at any meeting of the shareholders of WMIHC; seek the removal of any director from the board of directors; or make any solicitation of proxies (as such terms are used in the proxy rules of the SEC) or solicit any written consents of shareholders with respect to any matter;

- form or join or participate in a partnership, limited partnership, syndicate or other group within the meaning of Section 13(d)(3) of the Exchange Act, with respect to any voting securities of WMIHC;

- make or issue, or cause to be made or issued, any public disclosure, statement or announcement (including filing reports with the SEC) (x) in support of any solicitation described in the first bullet above, or (y) negatively commenting upon WMIHC;

- except pursuant to any exercise of any Warrant, the conversion of the Series A Convertible Preferred Stock, or the exercise of the Participation Rights, acquire, agree or seek to acquire, beneficially or otherwise, any voting securities of WMIHC (other than securities issued pursuant to a plan established by the board of directors for members of the board of directors, a stock split, stock dividend distribution, spin-off, combination, reclassification or recapitalization of WMIHC and its common stock or other similar corporate action initiated by WMIHC);

- enter into any discussions, negotiations, agreements or undertakings with any person with respect to the foregoing or advise, assist, encourage or seek to persuade others to take any action with respect to the foregoing, except pursuant to mandates granted by WMIHC to raise capital by WMIHC to KKR Capital Markets LLC and its affiliates; or

- short any of WMIHC s common stock or acquire any derivative or hedging instrument or contract relating to WMIHC s common stock.

In the event that any shareholder or group of shareholders other than KKR Fund calls a shareholder meeting or seeks to nominate nominees to the board of directors, then KKR Fund shall not be restricted from calling a shareholder

meeting in order to nominate directors as an alternative to the nominees nominated by such shareholder or group, provided that KKR Fund shall not nominate or propose a number of directors to the board of directors that is greater than the number of directors nominated or proposed by such shareholder or group.

The Investor Rights Agreement also provides the Holders with registration rights, including three long form demand registration rights, unlimited short form demand registration rights and customary piggyback registration rights with respect to common stock (and common stock underlying the Series A Convertible Preferred Stock and the Warrants), subject to certain minimum thresholds, customary blackout periods and lockups of 180 days.

For as long as the Holders beneficially own any shares of common stock or Series A Convertible Preferred Stock or any of the Warrants, WMIHC has agreed to provide customary Rule 144A information rights, to provide the Holders with regular audited and unaudited financial statements and to allow the Holders or their representatives to inspect WMIHC s books and records.

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As described above in Note Purchase Agreement, in certain circumstances KKR Management may refuse to purchase Subordinated Notes. Upon the occurrence of KKR Management s refusal, pursuant to and in accordance with the terms and conditions of the Note Purchase Agreement, to purchase Subordinated Notes, the Holders will automatically forfeit a percentage of the Warrants.

Series B Convertible Preferred Stock Offering

Pursuant to the Purchase Agreement, dated as of December 19, 2014, among the Company, as issuer, and Citigroup Capital Markets Inc. and KKR Capital Markets LLC (KCM) as the initial purchasers (the Purchase Agreement), in connection with the Series B Convertible Preferred Stock Offering, KCM, an affiliate of the Holders, as an initial purchaser, will be paid a fee of (1) $8,250,000 upon the reincorporation and (2) $8,250,000 upon a Qualified Acquisition (as defined in the Certificate of Designation for the Series B Convertible Preferred Stock, dated January 5, 2015), pursuant to the terms and conditions set forth in the Purchase Agreement.

Voting Agreements

As discussed under Meeting and Voting Information Voting; Quorum; Vote Required and Relationship with KKR Voting Agreement in connection with the Series B Convertible Preferred Stock Offering, the Company entered into Voting Agreements with the Holder Parties.

Investment Management Agreement and Administrative Services Agreement

WMIHC entered into an Investment Management Agreement and an Administrative Services Agreement with WMMRC on March 19, 2012. Each of these agreements was approved by WMMRC s primary regulator. Total amounts incurred and paid under these agreements totaled $1.5 million and $1.7 million for the years ended December 31, 2014 and 2013, respectively. The expense and related income eliminate on consolidation. These agreements are described below.

Under the terms of such Investment Management Agreement, WMIHC receives from WMMRC a monthly fee equal to the product of (x) the ending dollar amount of assets under management during the calendar month in question and (y) 0.002 divided by 12. WMIHC is responsible for investing the funds of WMMRC based on applicable investment criteria and subject to rules and regulations to which WMMRC is subject.

Under the terms of such Administrative Services Agreement, WMIHC receives from WMMRC a fee of $110,000 per month. WMIHC is responsible for providing administrative services to support, among other things, supervision, governance, financial administration and reporting, risk management and claims management as may be necessary, together with such other general or specific administrative services that may be reasonably required or requested by WMMRC in the ordinary course of its business.

Transition Services Agreement

On March 22, 2012, WMIHC and the Trust entered into the Transition Services Agreement. Pursuant to the Transition Services Agreement, the Trust makes available certain services and employees to WMIHC, including the services of Charles Edward Smith who is our President, Interim Chief Executive Officer, Interim Chief Legal Officer and Secretary. The Transition Services Agreement was amended on December 11, 2014, as more fully described below. The Transition Services Agreement as amended, extends the term of the agreement through April 30, 2015, with automatic renewals thereafter for successive additional three-month terms, subject to non-renewal at the end of any additional term upon written notice by either party at least 30 days prior to the expiration of the additional term.

The Trust was established as part of the Bankruptcy Plan. The Trust emerged on the effective date of the Bankruptcy Plan and was formed for the purpose of holding, managing and administering the Liquidating Trust

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Assets (as defined in the Bankruptcy Plan) on behalf of the Trust s beneficiaries, and distributing the proceeds thereof to such beneficiaries. The Trust is managed by a trustee, William Kosturos, and a Trust Advisory Board. Michael Willingham, Chairman of the Board, board member, Audit Committee member and Nominating and Corporate Governance Committee member of WMIHC, is also a member of the Trust Advisory Board and the Litigation Subcommittee of the Trust. WMIHC paid the Trust approximately $605,000 for services provided under the Transition Services Agreement in 2014, of which $372,425 was paid for the services of Mr. Smith. Based on disclosures by the Trust in its Quarterly Summary Report for the period ended December 31, 2014 and filed under cover of Form 8-K with the SEC on February 2, 2015, the Trust holds an aggregate of $211,665 of our Runoff Notes, including interest accrued thereon. In addition, the Disputed Claims Reserve managed by the Trust holds $466,281 of our Runoff Notes, including interest accrued thereon.

The Transition Services Agreement also provides the Company with office space for its current employees and basic infrastructure and support services to allow the Company to operate. Before the latest amendment, described below, we paid a monthly overhead charge of $8,468 to the Trust under the Transition Services Agreement for office space, common area space and use of supplies and equipment.

The Trust s sublease (the Sublease) for the office space located at 1201 Third Avenue, Suite 3000, Seattle, Washington 98101 was scheduled to terminate on its own terms on December 13, 2014, and the Trust accepted an offer to enter into a new leasing arrangement (the New Lease) for such office space. The New Lease went into effect on December 14, 2014. In connection with the foregoing, the parties amended the Transition Services Agreement on December 11, 2014 to, among other things, address WMIHC s ongoing desire to share such office space. The Trust will remain the lessee under the New Lease, which will have an initial committed lease term running from December 14, 2014 through April 30, 2015 (the Initial New Lease Term) and otherwise continue on the same terms and conditions on a month-to-month basis thereafter. The Trust and Company will split lease expenses associated with the New Lease equally (i.e., on a 50/50 basis), with the Company s annual share of the expenses associated with the New Lease expected to total approximately $188,763. Such allocation will be reduced ratably to the extent the New Lease is terminated early. Under the terms of this new arrangement, the Company will be liable for 50% of the expenses relating to the New Lease for the Initial New Lease Term; thereafter, the Company shall continue to be liable for 50% of such lease expenses until the earlier to occur of (x) the Company notifying the Trust, in accordance with the notice provisions set forth in the Transition Services Agreement, that the Company no longer requires office space from the Trust and (y) the New Lease is terminated in accordance with its terms. The parties also amended the Transition Services Agreement to reflect increased hourly billing rates for services provided by the Trust s personnel to the Company. These rates had not been increased since the Emergence Date.

Potential participation by WMIHC in proceeds received with respect to Recovery Claims.

To the extent any electing creditor of the Debtors (as defined in the Bankruptcy Plan) received common stock of WMIHC pursuant to a Reorganized Common Stock Election (as defined in the Disclosure Statement filed in connection with the Bankruptcy Plan), such creditor s share of the Runoff Notes to which the election was effective (*i.e.*, one dollar ($1.00) of original principal amount of Runoff Notes for each share of common stock of WMIHC) was not issued. As a result, each creditor making such an election conveyed to WMIHC, and WMIHC retained an economic interest in, the Litigation Proceeds (as defined below, and such proceeds do not constitute part of the Liquidating Trust Assets) equal to fifty percent (50%) of the Litigation Proceeds such creditor otherwise would have received. Litigation Proceeds is defined in the Bankruptcy Plan, in relevant part, as the recoveries, net of related legal fees and other expenses, of the Trust on account of causes of action against third parties and includes Recovery Claims (as defined in the Bankruptcy Plan).

WMIHC is aware that on or about October 14, 2014, the Trust filed a lawsuit in King County Superior Court in the State of Washington against 16 former directors and officers of WMI (the D&O Litigation). The Trust s complaint alleges, among other things, that the defendants named therein breached their fiduciary duties to WMI and committed corporate waste and fraud by squandering WMI s financial resources.

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On December 1, 2014, the Trust filed its *Motion of WMI Liquidating Trust for an Order, Pursuant to Sections 105(a) and 362 of the Bankruptcy Code and Rule 9019 of the Federal Rules of Bankruptcy Procedure, (A) Approving Settlement Agreement Between WMI Liquidating Trust, Certain Directors and Officers and Insurers and (B) Authorizing and Directing the Consummation Thereo*f (as amended, modified or supplemented prior to the date hereof, the D&O Settlement Motion). Among other things, the D&O Settlement Motion sought approval of a settlement among the Trust, certain former directors and officers of WMI and certain insurance carriers that underwrote director and officer liability insurance policies for the benefit of WMI and its affiliates (including such former directors and officers). At a hearing held on December 23, 2014, the Bankruptcy Court granted the Trust s D&O Settlement Motion. On January 5, 2015, certain non-settling officers appealed the Bankruptcy Court s order granting the D&O Settlement Motion and, as a result, the settlement has not yet been consummated. If the Bankruptcy Court s order is affirmed on appeal, then such settlement will, among other things, result in a payment by such insurance carriers to the Trust of $37 million. It is expected that such payment will constitute Litigation Proceeds (as described above). In its Quarterly Summary Report for the period ended December 31, 2014, a copy of which was filed by the Trust under Form 8-K on February 2, 2015, the Trust estimated that the Company would be entitled to receive approximately $9 million out of the $37 million payment. The foregoing notwithstanding, this litigation is managed and controlled by the Trust and WMIHC is not involved in the D&O Litigation. Unless and until the Bankruptcy Court s order approving the D&O Settlement Order is affirmed and such settlement is consummated, there can be no assurance that WMIHC will recover any amounts on account of the D&O Litigation.

The Trust s Litigation Subcommittee disclosed in the Trust s Form 10-K for the year ended December 31, 2013 that it investigated potential claims against various third parties, including breach of contract claims, breach of fiduciary duty claims, professional malpractice claims, and business tort, including antitrust claims. Based on this investigation, the Trust s Litigation Subcommittee determined not to assert additional claims against such third parties, other than those which were currently pending and being litigated. As a result of the Trust s public disclosures on these matters, at this time WMIHC believes it is unlikely that it will realize any value on account of Recovery Claims, other than as described above. As of December 31, 2014, WMIHC had not otherwise received any Litigation Proceeds in connection with the foregoing, and there can be no assurance that WMIHC will receive any value or distributions on account of Litigation Proceeds.

As a member of the Litigation Subcommittee of the Trust, Mr. Willingham participates in overseeing the prosecution of Recovery Claims by the Trust.

Relationship with CXO Consulting Group, LLC

CXOC, an entity owned by Mr. Jaeger, received over $240,000 for services from WMIHC during fiscal year 2014.

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SHAREHOLDER PROPOSALS FOR 2016

In order for a shareholder proposal to be considered for inclusion in the Proxy Statement for the 2016 annual meeting of shareholders, shareholders must comply with Rule 14a-8 promulgated under the Exchange Act and the deadline for receiving such proposals by the Company is , . Proposals should be mailed to the Company, to the attention of the Secretary, at WMI Holdings Corp., 1201 Third Avenue, Suite 3000, Seattle, Washington 98101. A shareholder who intends to present a proposal at the Company s annual meeting in 2016, other than pursuant to Rule 14a-8, must comply with the requirements as set forth in our Washington Bylaws, including Section 2.13, which requires shareholders to deliver notice of all proposals, nominations for director and other business to WMIHC s principal executive offices no later than 90 calendar days (or ,) and no earlier than 120 calendar days (or ,) prior to the one-year anniversary of the date on which the Company s proxy statement was released to shareholders in connection with the previous year s annual meeting of shareholders and such proposal must be a proper matter for shareholder action under Washington corporate law.

GENERAL INFORMATION

List of Shareholders of Record

A list of shareholders of record entitled to vote at the Annual Meeting will be available at the Annual Meeting and will also be available for ten business days prior to the Annual Meeting between the hours of 9:00 a.m. and 4:00 p.m., Pacific Time, at the office of the Secretary, WMI Holdings Corp., 1201 Third Avenue, Suite 3000, Seattle, Washington 98101. A shareholder may examine the list for any legally valid purpose related to the Annual Meeting.

Electronic Voting

The Company is incorporated under Washington law, which specifically permits electronically transmitted proxies, provided that the transmission set forth or be submitted with information from which it can reasonably be determined that the transmission was authorized by the shareholder. The electronic voting procedures provided for the Annual Meeting are designed to authenticate each shareholder by use of a control number to allow shareholders to vote their shares and to confirm that their instructions have been properly recorded.

By Order of the Board of Directors,

Charles Edward Smith

President, Interim Chief Executive Officer,

Interim Chief Legal Officer and Secretary

Seattle, Washington

, 2015

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APPENDIX A

AGREEMENT AND PLAN OF MERGER

OF

WMI HOLDINGS CORP.

(a Washington corporation)

WITH AND INTO

WMIH CORP.

(a Delaware corporation)

RECITALS

WHEREAS, WMI Holdings Corp. (WA WMI) is a corporation duly organized and existing under the laws of the State of Washington;

WHEREAS, WMIH Corp. (DE WMI) is a corporation duly organized and existing under the laws of the State of Delaware, and a direct wholly owned subsidiary of WA WMI;

WHEREAS, pursuant to the terms of WA WMI s Series B Convertible Preferred Stock, WA WMI will be required to repurchase any or all outstanding shares of Series B Convertible Preferred Stock upon a failure to have, not later than July 5, 2015, reincorporated from the State of Washington to the State of Delaware (such reincorporation, the Reincorporation);

WHEREAS, the parties hereto desire that, upon the terms and subject to the conditions stated herein, WA WMI be merged with and into DE WMI, and that DE WMI be the surviving corporation of such merger (the Merger);

WHEREAS, the Merger will effectuate the Reincorporation;

WHEREAS, for U.S. federal income tax purposes, it is intended that the Merger qualify as a reorganization within the meaning of Section 368(a)(1)(F) of the U.S. Internal Revenue Code;

WHEREAS, the Board of Directors of DE WMI has (i) determined that the Merger is advisable, fair to, and in the best interests of DE WMI and its sole stockholder, (ii) approved and declared advisable this Agreement and the consummation of the transactions contemplated hereby, including the Merger, in accordance with the terms and conditions set forth in this Agreement, pursuant to Section 252 of the General Corporation Law of the State of Delaware (the DGCL), and (iii) recommended that the sole stockholder of DE WMI approve the adoption of this Agreement and the transactions contemplated hereby, including the Merger; and

WHEREAS, the Board of Directors of WA WMI has (i) determined that the Merger and the Reincorporation is advisable and in the best interest of WA WMI and its shareholders, (ii) approved and declared advisable this Agreement and the consummation of the transactions contemplated hereby, including the Merger and the Reincorporation, and (iii) submitted to its shareholders this Agreement, and the principal terms of the Merger as

requested herein, to the shareholders for their consideration and approval.

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NOW, THEREFORE, in consideration of the foregoing, the agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, each intending to be legally bound, hereby agree as follows:

Section 1

Merger

1.1 At the Effective Time (as defined below), WA WMI shall be merged with and into DE WMI, the separate existence of WA WMI shall cease, and DE WMI will be the surviving corporation of the Merger (the Surviving Corporation).

1.2 The Merger shall have the effects set forth in this Agreement and in the applicable provisions of the DGCL and the Washington Business Corporation Act (the WBCA). Without limiting the generality of the foregoing, and subject to Section 259 of the DGCL, at the Effective Time, the separate existence of WA WMI will cease, and DE WMI will possess all the rights, privileges, immunities, powers and franchises of a public as well as of a private nature, and be subject to all of the restrictions, disabilities and duties, of WA WMI; and all the rights, privileges, immunities, powers and franchises of WA WMI, and all property, whether real, personal or mixed, all stock registered in the name of WA WMI, and all debts due to WA WMI on whatever account, and all subscriptions and all choses in action of or belonging to WA WMI, will be vested in DE WMI; and all such property, rights, privileges, immunities, powers and franchises will be thereafter as effectually the property of DE WMI as they were of WA WMI, and the title to any real estate vested by deed or otherwise in WA WMI will not revert or be in any way impaired by reason of the Merger but will be vested in DE WMI; and all rights of creditors and all liens upon any property of WA WMI will be preserved unimpaired, and all debts, liabilities and duties of WA WMI will be preserved unimpaired, and all debts, liabilities and duties of WA WMI will attach to DE WMI and may be enforced against it to the same extent as if said debts, liabilities and duties had been incurred or contracted by it, and any claim existing or action or proceeding pending by or against WA WMI may be prosecuted against DE WMI. All acts, plans, policies, agreements, arrangements, approvals and authorizations of WA WMI and its agents which were valid and effective immediately prior to consummation of the Merger will be taken for all purposes as the acts, plans, policies, agreements, arrangements, approvals and authorizations of DE WMI and will be as effective and binding thereon, in each case as the same were with respect to WA WMI.

Section 2

Conversion of Shares

2.1 At the Effective Time, by virtue of the Merger and without any action on the part of the parties hereto, the holders of any shares of capital stock of such parties, or any other person or entity:

(a) Each share of Common Stock of DE WMI, par value $0.00001 per share, issued and outstanding immediately prior to the Effective Time, shall be cancelled and shall cease to exist, and no consideration shall be issued in respect thereof or in exchange therefor.

(b) Each share of Common Stock of WA WMI, par value $0.00001 per share, issued and outstanding immediately prior to the Effective Time, shall be converted into one share of Common Stock of the Surviving Corporation, par value $0.00001 per share.

(c) Each share of Series A Convertible Preferred Stock of WA WMI, $0.00001 par value per share, issued and outstanding immediately prior to the Effective Time, shall be converted into one share of Series A Preferred Stock of the Surviving Corporation, par value $0.00001 per share.

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(d) Each share of Series B Convertible Preferred Stock of WA WMI, $0.00001 par value per share, issued and outstanding immediately prior to the Effective Time, shall be converted into one share of Series B Preferred Stock of the Surviving Corporation, par value $0.00001 per share.

Section 3

Exchange of Stock Certificates

3.1 At the Effective Time, any stock certificate that, immediately prior to the Effective Time, represented issued and outstanding shares of capital stock of WA WMI shall, from and after the Effective Time, automatically and without the necessity of presenting the same for exchange, represent only the number of shares of capital stock of the Surviving Corporation into which such shares of capital stock of WA WMI have been converted in the Merger without any further action on the part of such holder or the Surviving Corporation.

3.2 If, after the Effective Time, a valid certificate previously representing any shares of capital stock of WA WMI is delivered to the Surviving Corporation at its registered office in the State of Delaware, its principal place of business, or an officer or agent of the Surviving Corporation having custody of books and records of the Surviving Corporation, such certificate shall be canceled and the Surviving Corporation shall deliver to the holder of such certificate, in exchange for such valid certificate, a certificate representing the applicable shares of capital stock of the Surviving Corporation.

3.3 Notwithstanding the foregoing, if any certificate that prior to the Effective Time represented shares of capital stock of WA WMI shall have been lost, stolen or destroyed, then, upon the making of an affidavit of such fact by the person or entity claiming such certificate to be lost, stolen or destroyed and the providing of an indemnity by such person or entity to the Surviving Corporation, in form and substance reasonably satisfactory to the Surviving Corporation, against any claim that may be made against it with respect to such certificate, the Surviving Corporation shall deliver to such person or entity, in exchange for such lost, stolen or destroyed certificate, a certificate representing the applicable shares of capital stock of the Surviving Corporation.

Section 4

Employee Benefit Plans

4.1 At the Effective Time, the Surviving Corporation shall assume the obligations of WA WMI under, and continue, WA WMI s 2012 Long-Term Incentive Plan and all other employee benefit plans of WA WMI. Each outstanding and unexercised option, warrant or other right to purchase WA WMI Common Stock or WA WMI Series A or Series B Convertible Preferred Stock (a Right) shall become an option, warrant or right to purchase the Surviving Corporation s Common Stock or Series A or Series B Convertible Preferred Stock, respectively, on the basis of one share of the Surviving Corporation s Common Stock or Series A or Series B Convertible Preferred Stock, as the case may be, for each one share of WA WMI Common Stock or Series A or Series B Convertible Preferred Stock, as the case may be, issuable pursuant to any such Right, on the same terms and conditions and at an exercise price equal to the exercise price applicable to any such WA WMI Right at the Effective Time.

4.2 A number of shares of the Surviving Corporation s Common Stock and Series A and Series B Convertible Preferred Stock shall be reserved for issuance upon the exercise of options, warrants and stock purchase rights equal to the number of shares of WA WMI Common Stock and WA WMI Series A and Series B Convertible Preferred Stock so reserved immediately before the Effective Time.

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Section 5

Effective Time

5.1 If the adoption of this Agreement is duly approved by the sole stockholder of DE WMI, and the principal terms of the Merger and the Reincorporation are duly approved by the shareholders of WA WMI, and this Agreement is not terminated in accordance with Section 8 hereof, DE WMI shall execute and file a Certificate of Merger, substantially in the form attached hereto as Exhibit A (the Certificate of Merger), with the Secretary of State of the State of Delaware in accordance with the requirements of the DGCL and, immediately thereafter, a certified copy of the Certificate of Merger with the Secretary of State of the State of Washington.

5.2 The Merger shall become effective at the time of the filing of said Certificate of Merger with the Secretary of State of the State of Delaware, or at such later time as may be specified in such Certificate of Merger (the Effective Time).

Section 6

Certificate of Incorporation and By-Laws

6.1 At the Effective Time, the Certificate of Incorporation of DE WMI shall be amended and restated in the Merger to read in its entirety as set forth in Exhibit B, and as so amended and restated, shall be the certificate of incorporation of the Surviving Corporation until further amended in accordance with its terms and the DGCL.

6.2 At the Effective Time, the bylaws of DE WMI shall be amended and restated in the Merger to read in their entirety as set forth in Exhibit C, and as so amended and restated, shall be the bylaws of the Surviving Corporation until further amended in accordance with their terms and the DGCL.

Section 7

Directors and Officers

7.1 The director and officers of WA WMI immediately prior to the Effective Time shall be the director and officers, respectively, of the Surviving Corporation immediately following the Effective Time until their respective successors have been duly elected or appointed and qualified or until their earlier death, resignation, or removal in accordance with the certificate of incorporation and bylaws of the Surviving Corporation.

Section 8

Amendment and Termination

8.1 At any time prior to the Effective Time, whether before or after approval of the adoption of this Agreement by the sole stockholder of DE WMI and/or the approval of the principal terms of the Merger and the Reincorporation by the shareholders of WA WMI, this Agreement may be amended, to the fullest extent permitted by applicable law, by an agreement in writing duly approved by the Board of Directors of each of DE WMI and WA WMI; *provided*, *however*, that after the adoption of this Agreement by the sole stockholder of DE WMI and/or the approval of the principal terms of the Merger and the Reincorporation by the shareholders of WA WMI, no amendment shall be made to this Agreement that by law requires further approval or authorization by the sole stockholder of DE WMI and/or the approval of the principal terms of the Merger and the Reincorporation by the shareholders of WA WMI, without such further approval or authorization.

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8.2 At any time prior to the Effective Time, whether before or after approval of the adoption of this Agreement by the sole stockholder of DE WMI and/or the approval of the principal terms of the Merger and the Reincorporation by the shareholders of WA WMI, this Agreement and Plan of Merger may be terminated and abandoned by either the Board of Directors of DE WMI or the Board of Directors of WA WMI.

Section 9

Miscellaneous

9.1 Covenants of DE WMI. DE WMI covenants and agrees that it will, before or following the Effective Time:

(a) File a certified copy of the Certificate of Merger with the Secretary of State of the State of Washington; and

(b) Take such other actions as may be required by the WBCA.

9.2 Further Assurances. From time to time, as and when required by DE WMI or by its successors and assigns, there will be executed and delivered on behalf of WA WMI such deeds and other instruments, and there will be taken or caused to be taken by DE WMI and WA WMI such further and other actions, as shall be appropriate or necessary in order to vest or perfect in or confirm of record or otherwise in DE WMI the title to and possession of all property, interests, assets, rights, privileges, immunities, powers, franchises and authority of WA WMI, and otherwise to carry out the purposes of this Agreement, and the officers and director of DE WMI will be fully authorized in the name and on behalf of WA WMI or otherwise to take any and all such action and to execute and deliver any and all such deeds and other instruments.

9.3 Governing Law. Except to the extent that the laws of the State of Washington mandatorily apply with respect to the internal affairs of WA WMI, this Agreement shall be governed and construed in accordance with the laws of the State of Delaware, without giving effect to its principles or rules of conflict of laws to the extent such principles or rules would require or permit the application of the laws of another jurisdiction.

9.4 Entire Agreement. This Agreement constitutes the complete and entire agreement among the parties and constitutes the complete, final, and exclusive embodiment of their agreement with respect to the subject matter hereof.

9.5 Assignment; Binding Upon Successors and Assigns. Neither party hereto may assign any of its rights or obligations hereunder without the prior written consent of the other party hereto. This Agreement will be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

9.6 Severability. If any provision of this Agreement, or the application thereof, will for any reason and to any extent be invalid or unenforceable, the remainder of this Agreement and application of such provision to other persons or circumstances will be interpreted so as reasonably to effect the intent of the parties hereto.

9.7 Counterparts. This Agreement may be executed in counterparts with the same effect as if all parties have signed the same document and each such executed counterpart shall be deemed to be an original instrument. All executed counterparts together shall constitute one and the same instrument.

9.8 Facsimile or Electric Signatures. This Agreement may be executed and delivered by facsimile or other electronic transmission and upon such delivery the facsimile signature or other electronic signature will be deemed to have the same effect as if the original signature had been delivered to the other party.

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IN WITNESS WHEREOF, each of DE WMI and WA WMI has caused this Agreement to be executed by a duly authorized officer, as of the day of , 2015.

WMIH CORP. (a Delaware corporation)

By:
Name:
Title:

WMI HOLDINGS CORP. (a Washington corporation

By:
Name:
Title:

[Signature page to Reincorporation Merger Agreement of WMI Holdings Corp.]

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APPENDIX B

WMIH CORP.

AMENDED AND RESTATED

CERTIFICATE OF INCORPORATION

WMIH Corp. (the ***Corporation***), a corporation organized and existing under and by virtue of the General Corporation Law of the State of Delaware (the ***DGCL***), does hereby certify that:

1. The name of the Corporation is WMIH Corp.

2. The Corporation filed its original Certificate of Incorporation (the ***Original Certificate***) with the Secretary of State of the State of Delaware on [ ], 2015.

3. The Board of Directors of the Corporation and the stockholders of the Corporation have deemed it advisable to amend and restate the Original Certificate as permitted by Sections 242 and 245 of the DGCL to read in its entirety as set forth below.

ARTICLE I. NAME

The name of the Corporation is WMIH Corp..

ARTICLE II. REGISTERED AGENT

The address of the registered office of the Corporation in the State of Delaware is 2711 Centerville Road, Suite 400, City of Wilmington, County of New Castle 19808. The name of the registered agent of the Corporation in the State of Delaware at such address is Corporation Service Company.

ARTICLE III. PURPOSE

The purpose of the Corporation is to engage in any lawful act or activity for which corporations may be organized under the DGCL.

ARTICLE IV. CAPITALIZATION

The total number of shares of all classes of capital stock which the Corporation shall have authority to issue is Three Billion Five Hundred and Ten Million (3,510,000,000) shares, of which:

Three Billion Five Hundred Million (3,500,000,000) shares, par value $0.00001 per share, shall be shares of common stock (the ***Common Stock***); and

Ten Million (10,000,000) shares, par value $0.00001 per share, shall be shares of preferred stock (the ***Preferred Stock***).

1. Common Stock. Except as (i) otherwise required by law or (ii) expressly provided in this Certificate of Incorporation, each share of Common Stock shall have the same powers, rights and privileges and shall rank equally,

share ratably and be identical in all respects as to all matters.

(a) Dividends. Subject to the rights of the holders of Preferred Stock, and to the other provisions of this Certificate of Incorporation, holders of Common Stock shall be entitled to receive equally, on a per share basis,

such dividends and other distributions in cash, securities or other property of the Corporation as may be declared thereon by the Board of Directors from time to time out of assets or funds of the Corporation legally available therefor.

(b) Voting Rights. At every annual or special meeting of stockholders of the Corporation, each holder of Common Stock shall be entitled to cast one (1) vote for each share of Common Stock standing in such holder s name on the stock transfer records of the Corporation; *provided*, *however*, that, except as otherwise required by law, holders of Common Stock, as such, shall not be entitled to vote on any amendment to this Certificate of Incorporation (including, without limitation, to vote on any certificate of designation (or any amendment thereto) relating to any series of Preferred Stock) that solely amends, modifies or alters the terms of one or more outstanding series of Preferred Stock if, pursuant to the terms of such outstanding series or the DGCL, the holders of such Preferred Stock are entitled, either separately or together with the holders of one or more other such series, to the exclusion of the holders of the Common Stock, to vote thereon pursuant to this Certificate of Incorporation (including, without limitations, any certificate of designation relating to any series of Preferred Stock).

(c) Preemptive Rights. Stockholders of the Corporation shall have no preemptive rights to acquire additional shares of stock or securities convertible into shares of stock of the Corporation.

2. Preferred Stock. The Preferred Stock may be issued from time to time in one or more series in any manner permitted by law and the provisions of this Certificate of Incorporation, as determined from time to time by resolution of the Board of Directors and stated in the resolution or resolutions providing for its issuance, prior to the issuance of any shares. The Board of Directors shall have the authority by resolution to fix and determine, subject to these provisions, the designation of each series, the number of shares of each series, and the powers (including voting powers), preferences, and relative, participating, optional and other special rights, and the qualifications, limitations or restrictions thereof, and to amend the designation, powers, preferences and rights of the shares of any series that is wholly unissued. Unless otherwise specifically provided in the resolution establishing any series, the Board of Directors shall further have the authority, after the issuance of shares of a series whose number it has designated, by resolution to increase or decrease the number of shares of that series, but any decrease shall not below the number of shares of such series then outstanding. The authority of the Board of Directors under this Section 2 of Article IV may be delegated to a committee of the Board of Directors of the Corporation to the extent permitted under Section 141(c)(2) of the DGCL.

ARTICLE V. NO NON-VOTING EQUITY SECURITIES

Pursuant to Section 1123(a)(6) of the title II of the United States Code (the ***Bankruptcy Code***), notwithstanding any other provision contained herein to the contrary, the Corporation shall not issue non-voting equity securities.

ARTICLE VI. RESTRICTIONS ON TRANSFER OF SECURITIES

It is in the best interests of the Corporation and its stockholders that certain restrictions on the transfer or other disposition of shares of Common Stock, as relates to the preservation of certain tax attributes, be established as more fully set forth in this Article VI.

1. Definitions. As used in this Article VI, the following capitalized terms shall have the following respective meanings (and any references to any portions of Treasury Regulation Section 1.382-2T shall include any successor provision thereto):

Acquire means the acquisition, directly or indirectly, of ownership of Corporation Securities by any means, including, without limitation, (i) the exercise of any rights under any option, warrant, convertible

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security, pledge or other security interest or similar right to acquire shares, (ii) the entering into of any swap, hedge or other arrangement that results in the acquisition of any of the economic consequences of ownership of Corporation Securities, or (iii) any other acquisition or transaction treated under the applicable rules under Section 382 of the Code as a direct or indirect acquisition (including the acquisition of an ownership interest in a Substantial Holder), but shall not include the acquisition of any such rights unless, as a result, the acquiror would be considered an owner within the meaning of the tax laws. The terms ***Acquires*** and ***Acquisition*** shall have the same meaning.

Board means the board of directors of the Corporation.

Code means the Internal Revenue Code of 1986, as amended from time to time.

Corporation Securities means (i) shares of Common Stock, (ii) any other interests that would be treated as stock of the Corporation pursuant to Treasury Regulation Section 1.382-2T(f)(18), and (iii) warrants, rights or options (including within the meaning of Treasury Regulation Section 1.382-4(d)(9)) to purchase Corporation Securities, but only to the extent such warrants, rights or options are treated as exercised pursuant to Treasury Regulation Section 1.382-4(d).

Disposition means the sale, transfer, exchange, assignment, liquidation, conveyance, pledge, or other disposition or transaction treated under the applicable rules under Section 382 of the Code as a direct or indirect disposition (including the disposition of an ownership interest in a Substantial Holder). The terms ***Dispose*** and ***Disposition*** shall have the same meaning.

DTC means The Depository Trust Company.

Effective Date means the effective date of the Plan, which was March 19, 2012.

Percentage Stock Ownership means percentage stock ownership as determined in accordance with Treasury Regulation Section 1.382-2T(g), (h) (without regard to the rule that treats stock of an entity as to which the constructive ownership rules apply as no longer owned by that entity), (j) and (k), and Treasury Regulation Section 1.382-4.

Person means an individual, corporation, estate, trust, association, limited liability company, partnership, joint venture or similar organization or entity within the meaning of Treasury Regulation Section 1.382-3 (including, without limitation, any group of Persons treated as a single entity under such regulation).

Plan means the Seventh Amended Joint Plan of Washington Mutual, Inc. and WMI Investment Corp. pursuant to Chapter 11 of the Bankruptcy Code.

Prohibited Transfer means any purported Transfer of Corporation Securities to the extent that such Transfer is prohibited and/or void under this Article VI.

Restriction Release Date means the earliest of (i) any date after the Effective Date if the Board in good faith determines that it is in the best interests of the Corporation and its stockholders for the ownership and transfer limitations set forth in this Article VI to expire, (ii) the beginning of a taxable year of the Corporation as of which no Tax Benefits are available, or (iii) December 31, 2030.

Substantial Holder means a Person (including, without limitation, any group of Persons treated as a single entity within the meaning of the Treasury Regulation Section 1.382-3) holding Corporation Securities, whether as of the

Effective Date, after giving effect to the Plan, or thereafter, representing a Percentage Stock Ownership (including indirect ownership, as determined under applicable Treasury Regulations) in the Corporation of at least 4.75%.

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Tax Benefits means the net operating loss carryovers, capital loss carryovers, general business credit carryovers, alternative minimum tax credit carryovers and foreign tax credit carryovers, as well as any net unrealized built-in loss within the meaning of Section 382 of the Code, of the Corporation or any direct or indirect subsidiary thereof.

Transfer means any direct or indirect Acquisition or Disposition of Corporation Securities.

Treasury Regulation means a Treasury regulation promulgated under the Code.

2. Ownership Limitations.

(a) To the fullest extent permitted by law, from and after the Effective Date and prior to the Restriction Release Date:

(A) no Person shall be permitted to make an Acquisition, whether in a single transaction or series of related transactions, and any such purported Acquisition will be *void ab initio*, to the extent that after giving effect to such purported Acquisition (i) the purported acquiror or any other Person by reason of the purported acquiror s Acquisition would become a Substantial Holder, or (ii) the Percentage Stock Ownership of a Person that, prior to giving effect to the purported Acquisition, is a Substantial Holder would be increased; and

(B) no Substantial Holder shall Dispose of any Corporation Securities without consent of the Board, as provided in Section 2(b) of this Article VI, and any such purported Disposition will be *void ab initio*.

The prior sentence is not intended to prevent the Corporation Securities from being DTC-eligible and shall not preclude the settlement of any transactions in the Corporation Securities entered into through the facilities of a national securities exchange, but such transaction, if prohibited by the prior sentence, shall nonetheless be a Prohibited Transfer.

(b) The restrictions set forth in Section 2(a) of this Article VI shall not apply to a proposed Transfer, and such Transfer shall be permitted notwithstanding anything to the contrary in Section 2(a), if the transferor or the transferee, upon providing at least fifteen (15) days prior written notice of such proposed Transfer to the Board, obtains the written approval or consent to the proposed Transfer from the Board. The Board will consider whether the proposed Transfer, when considered alone or with other proposed or planned Transfers, will impair the Corporation s Tax Benefits and may, within its discretion, determine whether to permit the proposed Transfer, or not to permit the proposed Transfer, in order to protect the Corporation s Tax Benefits. If a Substantial Holder proposes to Dispose of stock in a transaction that would otherwise be limited by Section 2(a)(B) of this Article VI, the Board shall approve such proposed Disposition, unless the Board determines in good faith that the proposed Disposition, whether considered alone or with other transactions (including, without limitation, past transactions or contemplated transactions), would create a material risk that the Corporation s Tax Benefits may be jeopardized. The Board shall endeavor to inform the requesting party of its determination within ten (10) days after receiving such written notice; *provided*, *however*, that the failure of the Board to respond during such ten (10) day period shall not be deemed to be a consent to the Transfer. As a condition to granting its consent (and in the case of Dispositions, subject to the standard set forth in the third sentence of this Section 2(b)), the Board may, in its discretion, require and/or obtain (at the expense of the transferor and/or transferee) such representations and/or agreements from the transferor and/or transferee, such opinions of counsel to be rendered by nationally recognized counsel approved by the Board (which for the avoidance of doubt may include the regular counsel for the transferor or transferee), and such other advice, in each case as to such matters as the Board determines is appropriate. The Board may waive the restrictions imposed in this Article VI, in whole or in part, in circumstances where it believes doing so would be to be beneficial to stockholders of the Corporation taken as a whole.

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3. Treatment of Excess Securities.

(a) No employee or agent of the Corporation shall record any Prohibited Transfer, and the purported transferee (the ***Purported Transferee***) of a Prohibited Transfer shall not be recognized as a stockholder of the Corporation for any purpose whatsoever in respect of the Corporation Securities which are the subject of the Prohibited Transfer (the ***Excess Securities***). Until the Excess Securities are acquired by another Person in a Transfer that is not a Prohibited Transfer, the Purported Transferee shall not be entitled with respect to such Excess Securities to any rights of stockholders of the Corporation, including, without limitation, the right to vote such Excess Securities and to receive dividends or distributions, whether liquidating or otherwise, in respect thereof. Once the Excess Securities have been acquired in a Transfer that is in accordance with this Section 3 of this Article VI and is not a Prohibited Transfer, such Corporation Securities shall cease to be Excess Securities.

(b) If the Board determines that a Prohibited Transfer has occurred, such Prohibited Transfer and, if applicable, the recording of such Prohibited Transfer, shall, to the fullest extent permitted by law, be *void ab initio* and have no legal effect and, upon written demand by the Corporation, the Purported Transferee shall transfer or cause to be transferred any certificate or other evidence of ownership of the Excess Securities within the Purported Transferee s possession or control, together with any dividends or other distributions that were received by the Purported Transfer from the Corporation with respect to the Excess Securities (the ***Prohibited Distributions***), to an agent designated by the Board (the ***Agent***).

(A) In the case of a Prohibited Transfer described in Section 2(a)(A) of this Article VI, the Agent shall thereupon sell to a buyer or buyers, the Excess Securities transferred to it in one or more arm s-length transactions (including over a national securities exchange on which the Corporation Securities may be traded, if possible); *provided*, *however*, that the Agent, in its sole discretion, shall effect such sale or sales in an orderly fashion and shall not be required to effect any such sale within any specific time frame if, in the Agent s discretion, such sale or sales would disrupt the market for the Corporation Securities or otherwise would adversely affect the value of the Corporation Securities. If the Purported Transferee has resold the Excess Securities before receiving the Corporation s demand to surrender the Excess Securities to the Agent, the Purported Transferee shall be deemed to have sold the Excess Securities for the Agent, and shall be required, to the fullest extent permitted by law, to transfer to the Agent any Prohibited Distributions and proceeds of such sale, except to the extent that the Corporation grants written permission to the Purported Transferee to retain a portion of such sales proceeds not exceeding the amount that the Purported Transferee would have received from the Agent pursuant to Section 3(c) of this Article VI if the Agent, rather than the Purported Transferee, had resold the Excess Securities.

(B) In the case of a Prohibited Transfer described in Section 2(a)(B) of this Article VI, the transferor of such Prohibited Transfer (the ***Purported Transferor***) shall also deliver to the Agent the sales proceeds from the Prohibited Transfer (in the form received, i.e., whether in cash or other property), and the Agent shall thereupon sell any non-cash consideration to a buyer or buyers in one or more arm s-length transactions (including over a national securities exchange, if possible). If the Purported Transferee is determinable (other than with respect to a transaction entered into through the facilities of a national securities exchange), the Agent shall, to the extent possible, return the Prohibited Distributions to the Purported Transferor, and shall reimburse the Purported Transferee from the sales proceeds received from the Purported Transferor (or the proceeds from the disposition of any non-cash consideration) for the cost of any Excess Securities returned in accordance with Section 3(c) of this Article VI. If the Purported Transferee is not determinable, or to the extent the Excess Securities have been resold and thus cannot be returned to the Purported Transferor, the Agent shall use the proceeds to acquire on behalf of the Purported Transferor, in one or more arm s-length transactions (including over a national securities exchange on which the Corporation Securities may be traded, if possible), an equal amount of Corporation Securities in replacement of the Excess Securities sold; *provided*, *however*, that, to the extent the amount of proceeds is not sufficient to fund the purchase price of such

Corporation Securities and the Agent s costs and expenses (as described in Section 3(c) of this Article VI), the Purported Transferor shall promptly fund such amounts upon demand by the Agent.

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(c) The Agent shall apply any proceeds or any other amounts received by it and in accordance with Section 3 of this Article VI as follows:

(A) *first*, such amounts shall be paid to the Agent to the extent necessary to cover its costs and expenses incurred in connection with its duties hereunder;

(B) *second*, any remaining amounts shall be paid to the Purported Transferee, up to the amount actually paid by the Purported Transferee, for the Excess Securities (or in the case of any Prohibited Transfer by gift, devise or inheritance or any other Prohibited Transfer without consideration, the fair market value, (x) calculated on the basis of the closing market price for the Corporation Securities on the day before the Prohibited Transfer or (y) if the Corporation Securities are not listed or admitted to trading on any stock exchange but are traded in the over-the-counter market, calculated based upon the difference between the highest bid and lowest asked prices, as such prices are reported by the National Association of Securities Dealers through its NASDAQ system or any successor system on the day before the Prohibited Transfer or, if none, on the last preceding day for which such quotations exist, or (z) if the Corporation Securities are neither listed nor admitted to trading on any stock exchange nor traded in the over-the counter market, then as determined in good faith by the Board, which amount (or fair market value) shall be determined at the discretion of the Board); and

(C) *third*, any remaining amounts, subject to the limitations imposed by the following proviso, shall be paid to one or more organizations qualifying under Section 501(c)(3) of the Code (or any comparable successor provision) (***Section 501(c)(3)***) selected by the Board; *provided*, *however*, that, if the Excess Securities (including any Excess Securities arising from a previous Prohibited Transfer not sold by the Agent in a prior sale or sales) represent a 4.75% or greater Percentage Stock Ownership interest in the Corporation, then such remaining amounts shall be paid to two or more organizations qualifying under Section 501 (c)(3) selected by the Board, such that no organization qualifying under Section 501(c)(3) shall possess Percentage Stock Ownership in the Corporation in excess of 4.74%.

The recourse of any Purported Transferee in respect of any Prohibited Transfer shall be limited to the amount payable to the Purported Transferee pursuant to clause (B) above. Except as may be required by law, in no event shall the proceeds of any sale of Excess Securities pursuant to this Article VI inure to the benefit of the Corporation.

(d) If the Purported Transferee or the transferor fails to surrender the Excess Securities (as applicable) or the proceeds of a sale thereof to the Agent within thirty (30) days from the date on which the Corporation makes a demand pursuant to Section (3)(b) of this Article VI, then the Corporation shall use its best efforts to enforce the provisions hereof, including the institution of legal proceedings to compel the surrender.

4. Obligation to Provide Information.

(a) At the request of the Corporation, any Person which is a beneficial, legal or record holder of Corporation Securities, and any proposed transferor or transferee and any Person controlling, controlled by or under common control with the proposed transferor or transferee, shall provide such information as the Corporation may reasonably request as may be necessary from time to time in order to determine compliance with this Article VI or the status of the Corporation s Tax Benefits.

5. Bylaws; Legends; Compliance.

(a) The bylaws of the Corporation may make appropriate provisions to effectuate the requirements of this Article VI.

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(b) Until the Restriction Release Date, all certificates representing Corporation Securities shall bear a conspicuous legend as follows:

THE TRANSFER OF THE SECURITIES REPRESENTED HEREBY IS SUBJECT TO OWNERSHIP RESTRICTIONS PURSUANT TO ARTICLE VI OF THE CERTIFICATE OF INCORPORATION OF WMIH CORP. REPRINTED IN SUBSTANTIAL PART ON THE BACK OF THIS CERTIFICATE. THE CORPORATION WILL FURNISH A COPY OF ITS CERTIFICATE OF INCORPORATION TO THE HOLDER OF RECORD OF THIS CERTIFICATE WITHOUT CHARGE UPON A WRITTEN REQUEST ADDRESSED TO THE CORPORATION AT ITS PRINCIPAL PLACE OF BUSINESS.

(c) The Corporation shall have the power to make appropriate notations upon its stock transfer records and instruct any transfer agent, registrar, securities intermediary or depository with respect to the requirements of this Article VI for any uncertificated Corporation Securities or Corporation Securities held in an indirect holding system, and the Corporation shall provide notice of the restrictions on transfer and ownership to holders of uncertificated shares in accordance with applicable law.

(d) The Board shall have the power to determine all matters necessary for determining compliance with this Article VI, including, without limitation, determining (A) the identification of Substantial Holders, (B) whether a Transfer is a Prohibited Transfer, (C) the Percentage Stock Ownership of any Substantial Holder or other Person, (D) whether an instrument constitutes a Corporation Security, (E) the amount (or fair market value) due to a Purported Transferee pursuant to clause (B) of Section 3(c) of this Article VI, and (F) any other matters that the Board determines to be relevant. The good faith determination of the Board on such matters shall be conclusive and binding for the purposes of this Article VI.

ARTICLE VII. BOARD OF DIRECTORS

1. The business and affairs of the Corporation shall be managed by, or under the direction of, the Board of Directors. The Board of Directors may exercise all such authority and powers of the Corporation and do all such lawful acts and things as are not by statute or this Certificate of Incorporation directed or required to be exercised or done solely by the stockholders.

2. The number of directors that shall constitute the entire Board shall be not be more than eleven (11), or such greater number as may be determined by the Board. Subject to the previous sentence, the precise number of directors, other than those who may be elected by the holders of one or more series of Preferred Stock voting separately by class or series, shall be fixed from time to time exclusively pursuant to a resolution adopted by the Board.

3. Subject to the rights of the holders of any series of Preferred Stock then outstanding, newly created directorships resulting from any increase in the number of directors or any vacancies in the Board of Directors resulting from death, resignation, retirement, disqualification, removal from office or any other cause shall, unless otherwise required by the DGCL or the bylaws of the Corporation, be filled only by the Board of Directors, provided, that if the directors then in office constitute less than a quorum of the board, they may fill the vacancy by the affirmative vote of a majority of the directors then in office. Directors elected to fill a newly created directorship or other vacancies shall hold office until such director s successor has been duly elected or until his earlier death, resignation or removal as provided in this Certificate of Incorporation.

4. Subject to the rights of the holders of any series of Preferred Stock then outstanding, any director may be removed, with or without cause, from office at any time, at a meeting called for that purpose or at an annual meeting, and only by the affirmative vote of the holders of a majority of the voting power of the issued and outstanding shares of

Common Stock and the issued and outstanding shares of Preferred Stock, if any, entitled to vote for the election of directors.

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5. Elections for directors need not be by written ballot unless the bylaws of the Corporation shall otherwise provide.

6. The Board of Directors is expressly authorized to adopt, amend or repeal the bylaws of the Corporation; *provided*, *however*, that any amendment to Section 3.2 or Section 3.4 of the bylaws shall require the unanimous consent of the entire Board. The stockholders shall also have the power to adopt, amend or repeal the bylaws of the Corporation; *provided*, *however*, that, in addition to any vote of the holders of any class or series of stock of the Corporation required by the DGCL, by this Certificate of Incorporation or by the bylaws, the affirmative vote of the holders of more than 50% of the voting power of the issued and outstanding shares of Common Stock and the iss