

WMIH CORP.
Form 10-K/A
April 30, 2018
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K/A
(Amendment No. 1)

(Mark one)

**ANNUAL REPORT PURSUANT TO SECTIONS 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT
OF 1934**

For the fiscal year ended December 31, 2017

OR

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE
ACT OF 1934**

Commission File No. 001-14667

WMIH Corp.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)
800 FIFTH AVENUE, SUITE 4100

91-1653725
(I.R.S. Employer
Identification No.)

SEATTLE, WASHINGTON 98104

(Address of principal executive offices) (Zip Code)

(206) 922-2957

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class:

Common Stock, par value \$0.00001 per share

Name of each exchange on which registered:

The Nasdaq Stock Market

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

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Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or emerging growth company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company and emerging growth company in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer

Accelerated Filer

Non-Accelerated Filer (Do not check if a smaller reporting company)

Smaller Reporting Company

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

The aggregate market value of the registrant's voting and non-voting common equity held by non-affiliates, computed by reference to the last sales price (\$1.25) as reported by The Nasdaq Stock Market as of the last business day of the most recently completed second fiscal quarter (June 30, 2017) was \$258.4 million.

As of February 28, 2018, 206,714,132 shares of the registrant's common stock, \$0.00001 par value, were outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

None

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EXPLANATORY NOTE

This Amendment No. 1 (this Amendment) amends the Annual Report on Form 10-K of WMIH Corp., a Delaware corporation (the Company, WMIH, we, our or us) for the year ended December 31, 2017, originally filed with the U.S. Securities and Exchange Commission (the SEC) on March 2, 2018 (the Original Filing).

This Amendment is being filed for the purpose of providing the information required by Items 10 through 14 of Part III of Form 10-K. This information was previously omitted from the Original Filing in reliance on General Instruction G(3) to Form 10-K, which permits the above-referenced Items to be incorporated in an annual report on Form 10-K by reference from a definitive proxy statement, if such definitive proxy statement is filed no later than 120 days after the registrant's fiscal year end.

On February 12, 2018, WMIH, Wand Merger Corporation, a Delaware corporation and wholly-owned subsidiary of WMIH, and Nationstar Mortgage Holdings Inc., a Delaware corporation (Nationstar), entered into an Agreement and Plan of Merger, pursuant to which, subject to the satisfaction or waiver of the conditions set forth therein, Wand Merger Corporation will merge with and into Nationstar (the Merger), with Nationstar continuing as the surviving corporation and a wholly-owned subsidiary of WMIH. The Merger is expected to close in the second half of 2018, subject to approval by WMIH's and Nationstar's shareholders and other customary closing conditions, including the receipt of required regulatory approvals. For further information, see the Company's Registration Statement on Form S-4 filed on March 23, 2018.

Given the expected timing for the closing of the Merger, we are filing this Amendment to include Part III information because WMIH no longer intends to file a definitive proxy statement within 120 days of December 31, 2017, the end of our fiscal year. Except as otherwise specifically defined herein, all defined terms used in this Amendment shall have the same meaning as in the Original Filing.

In accordance with Rule 12b-15 under the Exchange Act, Items 10 through 14 of Part III of the Original Filing are hereby amended and restated in their entirety. Pursuant to Rule 12b-15 under the Exchange Act, currently-dated certifications from the Company's Chief Executive Officer and Chief Financial Officer are filed as Exhibits to this Amendment, as required by Section 302 of the Sarbanes-Oxley Act of 2002.

Except as described above, no other changes have been made to the Original Filing. Except as otherwise indicated herein, this Amendment continues to speak as of the date of the Original Filing, and WMIH has not updated the disclosures contained in the Original Filing to reflect any events that occurred subsequent to the date thereof. The disclosures contained in the Original Filing are provided as of the date of such disclosures.

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PART III

Item 10. Directors, Executive Officers and Corporate Governance.

The information required by this item regarding our executive officers is provided in Item 1. Business Executive Officers of the Registrant in the Original Filing.

WMIH Board of Directors

WILLIAM C. GALLAGHER, (age 59). Mr. Gallagher is WMIH's Chief Executive Officer and has served as a director since May 2015. Mr. Gallagher previously served as a consultant of WMIH since November 21, 2014. Mr. Gallagher served as an Executive Vice President and member of the board of directors at Capmark Financial Group Inc., a commercial real estate finance company (Capmark), from November 2014 until May 2015. Mr. Gallagher served as President and Chief Executive Officer 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, a financial services company, from September 1989 to February 2009. Mr. Gallagher is a member of the WMIH corporate strategy and development committee (which we refer to as the WMIH CS&D committee).

DIANE B. GLOSSMAN, (age 62). Ms. Glossman has served as a director since 2012. Ms. Glossman is a retired investment analyst with over 25 years of experience as an analyst and 20 years of governance experience on boards. In addition to her service on behalf of WMIH, Ms. Glossman currently serves on the boards of directors of Ambac Assurance Company, Bucks County SPCA, Live Oak Bancshares, Barclays US LLC and Barclays Bank Delaware. Previously, Ms. Glossman served on the board of directors of QBE North America from 2013-2016, Powa Technologies Group Ltd. from 2013-2016; 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 chairs the WMIH compensation committee and is a member of the WMIH audit committee, the WMIH finance committee and the WMIH nominating and corporate governance committee.

CHRISTOPHER J. HARRINGTON, (age 37). Mr. Harrington has served as a director since June 2017 and is a Member of KKR, a global asset manager working in private equity and fixed income. He joined KKR in 2008 and is a senior member of the firm's financial services industry team within the Americas Private Equity platform. Mr. Harrington has been involved with KKR's investments in Alliant Insurance Services, Focus Financial Partners, Privilege Underwriters (PURE), Santander Consumer USA, Sedgwick Claims Management Services, USI Insurance Services and WMIH Corp and has extensive experience in corporate financings, mergers, acquisitions, investments and strategic transactions. Previously, Mr. Harrington was with Merrill Lynch & Co. in New York, where he was involved in a variety of acquisitions, divestitures, and other corporate advisory transactions. He holds an A.B., magna cum laude, from Harvard College and a J.D., magna cum laude, from Harvard Law School.

TAGAR C. OLSON, (age 40). Mr. Olson has served as a director since May 2015, appointed by KKR Fund, and served as an observer to the WMIH board of directors from March 13, 2014 until becoming a director. Mr. Olson is a Member of KKR, a global asset manager working in private equity and fixed income. He joined KKR in 2002, and he currently serves as head of KKR's financial services industry team and as a member of the Investment Committee within KKR's Private Equity platform. Mr. Olson currently serves on the boards of directors of Alliant Insurance Services, First Data Corporation, Privilege Underwriters (PURE) and Sedgwick, Inc. He has played a significant role in many of KKR's other investments in the financial services sector over the past decade, including Latitude Financial, Legg Mason, Nephila and Santander Consumer USA. Prior to joining KKR, Mr. Olson was with Evercore Partners

Inc., a New York-based global investment banking advisory and investment management firm, 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. He is a member of the Board of Overseers at NYU Langone Medical Center. Mr. Olson chairs the WMIH CS&D committee.

MICHAEL J. RENOFF, (age 43). Mr. Renoff has served as a director since March 2012. Mr. Renoff has served as Senior Analyst of Old Bell Associates, LLC (Old Bell) since 2008. Old Bell Partners, L.P. (Old Bellows), an affiliate of Old Bell, is the investment manager to Scoggin Worldwide Fund Ltd., which owns shares in WMIH. In addition, Scoggin Management LP, an affiliate of Old Bell and Old Bellows, is an investment manager to Scoggin International Fund Ltd., which owns shares of WMIH. Mr. Renoff is a member of the WMIH audit committee and the WMIH CS&D committee.

STEVEN D. SCHEIWE, (age 57). Mr. Scheiwe has served as a director since March 2012. 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 Alimco Financial Corporation (formerly known as Alliance Semiconductor Corp) and Verso Corporation. During the last five years he has also served on the board of directors of FiberTower Corporation, Primus Telecommunications Group, Inc., and Mississippi Phosphates Corporation. Mr. Scheiwe is chair of the WMIH board of directors, the WMIH finance committee and the WMIH nominating and corporate governance committee and a member of the WMIH compensation committee and the WMIH audit committee.

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MICHAEL L. WILLINGHAM, (age 47). Mr. Willingham has served as a director since March 2012. 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 is a member of the Trust Advisory Board and Litigation Subcommittee of WMI Liquidating Trust (which we refer to as the Trust). Mr. Willingham chairs the WMIH audit committee and is a member of the WMIH compensation committee, the WMIH nominating and corporate governance committee and the WMIH finance committee.

Committees and Meetings of the WMIH Board of Directors

During the fiscal year ended December 31, 2017, the board of directors (the Board) held 18 formal meetings. The Board has established four standing committees: an audit committee, compensation committee, corporate strategy and development committee and nominating and corporate governance committee. In 2017, the Board established a finance committee, which is described in more detail below. Each director attended at least 75% of the total number of meetings held by the Board and the committees of the Board on which he or she served during fiscal year 2017 (or such portion of the year during which such director served on the Board).

The Board, following a recommendation by the WMIH nominating and corporate governance committee, has adopted a policy with respect to board member attendance at annual stockholder meetings. In accordance with such policy, the Board encourages all directors to make attendance at the WMIH annual meeting a priority. Last year, all directors, other than those not seeking reelection and who were members of the Board at the time of the annual meeting, were in attendance in person or by telephone at the WMIH annual meeting of stockholders.

Audit Committee

WMIH has a standing audit committee established in accordance with Section 3(a)(58)(A) of the Exchange Act. The WMIH audit committee is governed by a written charter, a current copy of which is available on WMIH's website at www.wmih-corp.com. In 2017, the WMIH audit committee collaborated with the WMIH finance committee to evaluate and approve the amendment of the terms of WMIH Series B preferred stock and other WMIH acquisition and financing activities. The WMIH audit committee held 7 meetings during the fiscal year ended December 31, 2017.

Michael L. Willingham (Chair), Diane B. Glossman, Michael J. Renoff and Steven D. Scheiwe, 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 WMIH audit committee. The Board has determined that each member is qualified to be an audit committee financial expert as defined in the SEC's rules.

The WMIH audit committee's duties and responsibilities include: (a) selection, retention, compensation, evaluation, replacement and oversight of WMIH'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 WMIH'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 WMIH's periodic reports with the SEC; (d) obtain and review a report from the independent registered public accounting firm describing WMIH's internal quality control procedures; (e) periodic assessment of WMIH's accounting practices and policies and risk and risk management; (f) review policies and procedures with respect to transactions between WMIH 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 us; 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 WMIH's directors, officers and employees, in each case, pursuant to and to the extent required by laws, rules and regulations applicable to WMIH.

In connection with the consideration of a possible transaction with Nationstar (which we refer to as the possible transaction), pursuant to delegation by the Board, the WMIH audit committee was authorized, among other things, (i) to review and evaluate the terms and conditions and determine the advisability of the possible transaction; (ii) to make or accept, reject, or seek to modify the terms and conditions of the possible transaction; (iii) to determine whether the possible transaction is fair to and in the best interests of WMIH and its stockholders; (iv) to recommend to the Board whether to approve the possible transaction, whether the Board should recommend the possible transaction to WMIH's stockholders and what other action, if any, should be taken by WMIH with respect to the possible transaction; (v) if the WMIH audit committee deems it appropriate or advisable, to negotiate the price, structure, form, terms and conditions of the possible transaction and the form, terms and conditions of any definitive agreements; (vi) to obtain any necessary or desirable opinions from legal, financial and other advisors; (vii) to take such other actions related to or arising in connection with the possible transactions as the WMIH audit committee deems necessary, appropriate or advisable, including as relates to exploring and negotiating alternatives to such possible transaction; and (viii) to provide reports and/or recommendations to the Board in regard to such matters at such time as the WMIH audit committee deems appropriate and consistent with its activities.

During the month of December 2017, in addition to its other responsibilities, the WMIH audit committee evaluated the terms of and determined the advisability of the possible transaction.

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Compensation Committee

The members of the WMIH compensation committee are Diane B. Glossman (Chair), Steven D. Scheiwe and Michael L. Willingham, each of whom is an independent director as defined in Rule 5605(a)(2) of the NASDAQ listing standards. The WMIH compensation committee is governed by a written charter, a current copy of which is available on WMIH's website at www.wmih-corp.com. During the fiscal year ended December 31, 2017, the WMIH compensation committee held one meeting and otherwise elected to act on other business via unanimous written consent, as contemplated by its charter.

The Board has delegated to the WMIH compensation committee responsibility for considering and approving the compensation programs and awards for all of WMIH's executive officers, including the named executive officers identified below under *Summary Compensation Table*. The WMIH compensation committee consists entirely of independent, non-employee directors. The WMIH compensation committee is responsible for: (a) reviewing WMIH'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 WMIH's management the compensation discussion and analysis, if required by the Exchange Act and recommending it to the Board, if appropriate, for inclusion in WMIH's proxy statement; and (f) monitoring compliance with applicable laws governing executive compensation.

Nominating and Corporate Governance Committee

The members of the WMIH nominating and corporate governance committee are Steve D. Scheiwe (Chair), Diane B. Glossman and Michael L. Willingham, each of whom is an independent director as defined in Rule 5605(a)(2) of the NASDAQ listing standards. The WMIH nominating and corporate governance committee is governed by a written charter, a current copy of which is available on WMIH's website at www.wmih-corp.com. During the fiscal year ended December 31, 2017, the WMIH nominating and corporate governance committee held at least one (1) meeting and otherwise elected to act on other business via unanimous written consent as contemplated by its charter.

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

Nominees for director are selected on the basis of, among other things, knowledge, experience, skills, expertise, integrity, diversity, ability to make independent analytical inquiries, and understanding of WMIH'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 WMIH nominating and corporate governance committee does not set specific, minimum qualifications that nominees must meet in order for the WMIH nominating and corporate governance 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 WMIH and the composition of the Board. The WMIH nominating and corporate governance committee will consider WMIH stockholder recommendations for candidates to serve on the Board. Candidates suggested by WMIH stockholders will

be evaluated by the same criteria and process as candidates from other sources. Formal nomination of candidates by WMIH stockholders requires compliance with Section 2.13 of the Bylaws, including sending timely notice of the candidate's name, biographical information, and qualifications, and certain information regarding the WMIH stockholder making the nomination, to the Secretary of WMIH at WMIH Corp., 800 Fifth Avenue, Suite 4100, Seattle, Washington 98104. In order for a notice of WMIH stockholder nomination to be considered timely, a WMIH stockholder must deliver the notice to the Secretary at WMIH'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 WMIH's proxy statement was released to WMIH stockholders in connection with the previous year's annual meeting of WMIH stockholders; provided, however, if the annual meeting of WMIH stockholders is convened more than 30 days prior to the anniversary of the preceding year's annual meeting or delayed by more than 30 days after the anniversary of the preceding year's annual meeting or if no annual meeting was held in the preceding year, the notice by the WMIH stockholder 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 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.

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The members of the WMIH CS&D committee are Tagar C. Olson (Chair), William C. Gallagher and Michael J. Renoff. In general, all directors are invited to attend meetings of the WMIH CS&D committee. The WMIH CS&D committee is governed by a written charter, a current copy of which is available on WMIH's website at www.wmih-corp.com. Generally, the purpose of the WMIH CS&D committee has been to support the Board with the identification, review and assessment of potential acquisitions and strategic or business investment opportunities. During the fiscal year ended December 31, 2017, the WMIH CS&D committee held at least four (4) formal and informal meetings and is actively engaged in pursuing acquisition opportunities for WMIH. Following the establishment of the WMIH finance committee (defined below) in 2017, the entire Board assumed the functions that were previously delegated to the CS&D Committee.

Finance Committee

The WMIH finance committee was established in 2017, the members were Diane B. Glossman, Michael J. Renoff, Steven J. Scheiwe and Michael L. Willingham, and the WMIH finance committee was authorized, among other things, to (i) review the long-term financial structure, objectives and policies of WMIH, and to make recommendations to the Board regarding such structure, objectives and policies, if appropriate, (ii) evaluate the financing requirements of WMIH and management's proposed financing and refinancing plans and to recommend to the Board those actions, authorizations, filings and applications necessary and appropriate to enable management to execute such plans and (iii) consider and make recommendations to the Board regarding the terms, timing, amount and other material factors (e.g., potential dilution of existing stockholders and the impact of any financing or restructuring on WMIH's tax attributes under Section 382 of the Code), related to the possible restructuring or amendment of WMIH stock, issuance of new equity securities in one or more private or public transactions, redemption of outstanding securities, or other transactions related to WMIH stock, capital structure or fundraising to meet WMIH's future liquidity and capital resources needs, in each case as the WMIH finance committee deems appropriate.

During the second half of 2017, the WMIH finance committee focused its attention on restructuring and/or amending the terms of WMIH's issued and outstanding Series B preferred stock. On December 8, 2017, WMIH amended the terms of the WMIH Series B preferred stock and such amendment became effective on January 5, 2018. For further information on the WMIH Series B preferred stock Financing, see Note 9: Capital Stock and Derivative Instruments and Note 15: Subsequent Events, to the consolidated financial information in Part II, Item 8 of the Original Filing.

Committee Membership at April 30, 2018

Name	Audit Committee	Compensation Committee	Corporate Strategy and Development Committee	Nominating and Corporate Governance Committee	Finance Committee
William C. Gallagher			Member		
Diane B. Glossman	Member	Chair		Member	Member
Christopher J. Harrington			Chair		
Tagar C. Olson			Member		Member
Michael J. Renoff	Member				Member
Steven D. Scheiwe	Member	Member		Chair	Member

Michael L. Willingham

Chair

Member

Member

Member

Risk Management

WMIH has developed and maintains processes to manage risk in WMIH's operations. The Board'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 executes its oversight role directly and through its various committees. The WMIH audit committee has principal responsibility for implementing the Board's risk management oversight role. The WMIH audit committee is also responsible for reviewing conflict of interest transactions and handling complaints about accounting and auditing matters and violations of WMIH'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 WMIH audit committee and may be made only by the Board. The WMIH 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 WMIH's proposed financing or investments. The WMIH compensation committee assesses risks created by the incentives inherent in WMIH's compensation policies. Finally, the full Board reviews strategic and operational risk in the context of reports from the management team and the committees of the Board.

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Leadership Structure

The positions of Chairman of the Board and Chief Executive Officer are held by two different individuals. The Board has determined that during his tenure, Mr. Scheiwe has been independent under the NASDAQ listing standards. The Board believes that this structure is appropriate for WMIH at this time. Except for the WMIH CS&D committee, on which Mr. Olson and Mr. Gallagher serve, each of WMIH'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

WMIH has adopted a code of ethics which is applicable to the Board and officers, including WMIH's Chief Executive Officer, President, Chief Financial Officer, Principal Accounting Officer and Controller. The WMIH code of ethics focuses on honest and ethical conduct, the adequacy of disclosure in WMIH's financial reports, and compliance with applicable laws and regulations. A current copy of the code of ethics is available on WMIH's website at www.wmih-corp.com, and is administered by the WMIH audit committee.

Stockholder Communications with the Board of Directors

Communications by WMIH stockholders to the Board should be sent to the attention of the Chairman of the Board, in care of Charles Edward Smith, Chief Legal Officer and Secretary, WMIH Corp., 800 Fifth Avenue, Suite 4100, Seattle, Washington 98104. 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.

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Exchange Act requires WMIH's directors and officers and persons who beneficially own more than 10% of the outstanding shares of WMIH Common Stock (10% stockholders) 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 WMIH's knowledge, based solely upon a review of the copies of Forms 3, 4 and 5 (and amendments thereto) furnished to WMIH or otherwise in its files or publicly available, all of WMIH's officers, directors and 10% stockholders complied in a timely manner with all applicable Section 16(a) filing requirements during the fiscal year ended 2017.

Item 11. Executive Compensation.

Overview

This compensation discussion and analysis discusses the principles underlying WMIH's executive compensation program and the important factors relevant to the analysis of the compensation of WMIH's executive officers in 2017. WMIH's Chief Executive Officer, Interim Chief Financial Officer, Chief Operating Officer and Chief Legal Officer are referred to as WMIH's named executive officers.

For 2017, WMIH's named executive officers and their respective titles are as follows:

William C. Gallagher, Chief Executive Officer

Thomas L. Fairfield, President and Chief Operating Officer

Charles Edward Smith, Executive Vice President, Chief Legal Officer and Secretary

Timothy F. Jaeger, Senior Vice President, Interim Chief Financial Officer and Interim Chief Accounting Officer

Compensation Objectives and Philosophy

The primary objectives of the 2017 executive compensation programs established by the WMIH compensation committee were to retain executive officers and employees capable of: (a) identifying and assessing potential acquisition opportunities; (b) ensuring WMIH's compliance with debt-related agreements, to the extent applicable; (c) operating WMIH's reinsurance subsidiary, WM Mortgage Reinsurance Company, Inc. (WMMRC), in runoff mode; and (d) complying with the periodic disclosure and other obligations of a publicly traded company. To achieve the objectives of attracting and retaining suitable executive officers, the 2017 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 WMIH's business;

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ensure compensation is reasonably competitive relative to similarly sized companies, taking into account that WMIH's only operating business is WMMRC, which is being operated in runoff mode and to identify and assess possible acquisitions; and

ensure a flexible compensation structure to facilitate acquisitions or restructurings.

In 2015, William C. Gallagher and Thomas L. Fairfield were appointed as WMIH's Chief Executive Officer and Chief Operating Officer, respectively, with the expectation that Messrs. Gallagher and Fairfield would serve integral roles in assessing potential acquisitions on behalf of WMIH. As discussed further below, a significant portion of the compensation provided to Messrs. Gallagher and Fairfield is linked to WMIH's successful completion of an acquisition.

At WMIH's 2017 annual meeting of stockholders, 77% of the stockholders who voted on the advisory stockholder vote on executive compensation (excluding abstentions and broker non-votes) voted in favor of the proposal. Other than with respect to the compensation provided to Messrs. Gallagher and Fairfield in connection with their appointment as WMIH's Chief Executive Officer and Chief Operating Officer, respectively, during 2017, the WMIH compensation committee determined not to make any changes to the compensation programs after considering the vote.

Business Context for Compensation Decisions

The discussion that follows elaborates on the decision-making process governing the compensation of WMIH's named executive officers, WMIH's compensation philosophy, and the specific elements of compensation paid to WMIH's named executive officers in 2017.

Role of the WMIH Compensation Committee

The WMIH compensation committee is responsible for the oversight of WMIH's executive compensation program. Each director who served on the WMIH compensation committee in 2017 was, and each current member of the WMIH compensation committee is, a non-employee director within the meaning of SEC Rule 16b-3, an outside director within the meaning of Section 162(m) of the Code and an independent director under NASDAQ listing standards. The WMIH compensation committee's purpose is to discharge the Board's responsibilities relating to compensation of WMIH's executive officers and to adopt policies that govern WMIH's compensation and benefit programs in a manner that supports both WMIH's short and long term business strategies. The WMIH compensation committee has overall responsibility for approving and evaluating WMIH's executive officer compensation plans, policies and programs. The WMIH 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.

Role of WMIH Compensation Committee Consultants in Compensation Decisions

Under its charter, the WMIH 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 WMIH compensation committee may include periodically reviewing WMIH's compensation programs to confirm that they are consistent with the executive compensation philosophy and objectives established by the WMIH compensation committee. Compensation consultants may also advise the WMIH 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 WMIH compensation committee as reference points for executive compensation decisions. In 2017, the WMIH

compensation committee did not retain the services of an independent third party compensation consultant.

Elements of Compensation

The principal components of compensation for WMIH's named executive officers are:

base salary;

discretionary cash bonuses; and

equity-based incentive compensation.

The cash compensation in the form of base salaries compensates the named executive officers for services rendered in fulfilling 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 based on position, responsibility, and experience (including, in the case of Mr. Smith, familiarity with WMIH's past and current operations). The WMIH compensation committee did not conduct a specific analysis of compensation of executives at peer companies in setting the base salaries for the named executive officers; however, based on the experience and general industry knowledge of the Board members and the WMIH compensation committee members, the WMIH compensation committee determined that the cash compensation level was appropriate under WMIH's circumstances.

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In addition to their base salaries, each of WMIH's named executive officers is eligible to receive discretionary cash bonuses from time to time as determined by the WMIH compensation committee in its sole discretion. The WMIH compensation committee did not elect to pay bonuses in respect of 2017.

Restricted stock awards were issued to Messrs. Gallagher and Fairfield in 2015 in order to incentivize them to assist WMIH in implementing its acquisition strategy.

Pursuant to their employment agreements, as described below, each of Messrs. Gallagher and Fairfield have been granted equity-based compensation in the form of restricted stock, as described below. No grants of equity-based compensation were made in 2017.

2018 Compensation Actions

On March 9, 2018, WMIH entered into the Amendment of the Gallagher employment agreement (as defined below) (which we refer to as the Gallagher Amendment) and the Amendment of the Fairfield employment agreement (as defined below) (which we refer to as the Fairfield Amendment) and, together with the Gallagher Amendment, which we refer to as the Amendments). The Amendments, which were approved by the Board and its compensation committee, amend each of the Gallagher employment agreement and the Fairfield employment agreement, by extending the terms of each of Mr. Gallagher's and Mr. Fairfield's employment with WMIH until the earlier of (a) the closing date of the Merger or (b) the end date (as defined in the Amendments). Except as modified by the Amendments, all other terms and conditions of each of the Gallagher employment agreement and Fairfield employment agreement remain in full force and effect.

In addition, in connection with the Merger, WMIH may award cash compensation, not to exceed \$4,250,000 in the aggregate, to certain of its officers and employees, including the named executive officers, which may be paid as bonuses, severance payments or other forms of retention or incentive payments. As of the date of this Amendment, no such cash compensation has been awarded to any of WMIH's officers and employees.

Deductibility of Executive Compensation

Section 162(m) of the Code generally limits the federal corporate income tax deduction for compensation paid by a public company to its Chief Executive Officer and certain other 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. Pursuant to the Tax Cuts and Jobs Act of 2017, as of January 1, 2018, the exception under Section 162(m) of the Code for qualified performance-based compensation was eliminated and the definition of covered employee was expanded to include the chief financial officer of a Company. No executive was paid an amount in 2017 where this provision would have been applicable. The WMIH compensation committee intends to seek to qualify executive compensation for deductibility under Section 162(m) of the Code to the extent consistent with WMIH's best interests. Since corporate objectives may not always be consistent with the requirements for full deductibility, it is conceivable that WMIH may enter into compensation arrangements in the future under which payments are not deductible under Section 162(m) of the Code. Deductibility will not be the sole factor used by the WMIH compensation committee in ascertaining appropriate levels or modes of compensation.

Compensation Recovery Policy

WMIH does not have any incentive based compensation tied to performance at this time. Therefore, WMIH has not implemented a policy regarding retroactive adjustments to any cash or incentive compensation paid to WMIH's 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. WMIH's compensation committee intends to adopt a general compensation recovery (or clawback) policy covering WMIH's 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 WMIH is required to restate WMIH's financial results due to material noncompliance with any financial reporting requirements under the federal securities laws, WMIH's Chief Executive Officer and Chief Financial Officer may be legally required to reimburse WMIH 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.

Report of the WMIH Compensation Committee

The Report of the WMIH Compensation Committee shall not be deemed incorporated by reference by any general statement incorporating this Amendment into any filing under the Securities Act or under the Exchange Act, except to the extent that WMIH specifically incorporates this information by reference, and shall not otherwise be deemed filed under the Securities Act or the Exchange Act.

In accordance with the terms of its charter, the WMIH compensation committee on behalf of the Board oversees WMIH's executive compensation programs, including payments and awards, if any, to its executive officers and directors. The WMIH compensation

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committee has overall responsibility for approving and evaluating WMIH's director and executive officer compensation plans, policies and programs and addressing other compensation issues facing WMIH that require board action. The WMIH compensation committee is also responsible for reviewing and discussing with management and recommending to the Board the Compensation Discussion and Analysis for inclusion in this Amendment, in accordance with applicable SEC regulations.

In discharging its responsibilities, the WMIH compensation committee:

reviewed and discussed with management the Compensation Discussion and Analysis included in this Amendment; and

based upon its review and discussions, the WMIH compensation committee recommended to the Board that the Compensation Discussion and Analysis be included in this Amendment to the Original Filing in respect of the fiscal year ended December 31, 2017.

Submitted by the WMIH compensation committee of the Board:

Diane B. Glossman (Committee Chair)

Steven D. Scheiwe

Michael L. Willingham

Summary Compensation Table

The following table summarizes information regarding compensation for the three fiscal years ended December 31, 2017, 2016, and 2015, earned by or awarded to WMIH's named executive officers:

SUMMARY COMPENSATION TABLE

Name and Principal Position⁽¹⁾	Year	Salary (\$)	Bonus (\$)	Stock Awards (\$)(2)	All Other Compensation (\$)(3)	Total (\$)
William C. Gallagher⁽⁴⁾	2017	500,000				500,000
Chief Executive Officer	2016	500,000				500,000
	2015	312,500		4,000,000	187,500	4,500,000
Thomas L. Fairfield⁽⁵⁾	2017	500,000				500,000
President and Chief Operating Officer	2016	500,000				500,000
	2015	312,500		4,000,000	187,500	4,500,000
Charles Edward Smith⁽⁶⁾	2017	523,688				523,688
Executive Vice President, Chief Legal	2016	387,788				387,788
Officer and Secretary	2015	495,716	75,000			570,716
Timothy F. Jaeger⁽⁷⁾	2017	264,000				264,000
Interim Chief Financial Officer and Interim	2016	264,000				264,000
Chief Accounting Officer	2015	280,000	25,000			305,000

- (1) Reflects principal position as of December 31, 2017.
- (2) Amounts in this column reflect the dollar amount, without any reduction for risk of forfeiture, of the estimate of the aggregate compensation cost to be recognized over the service period as of the grant date under Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 718.
- (3) Prior to their appointments as Chief Executive Officer and President and Chief Operating Officer, respectively, Messrs. Gallagher and Fairfield provided consulting services to WMIH for which they each were paid a monthly consulting fee equal to \$41,677. The amounts in this column for 2015 reflect the consulting fees paid to each of Messrs. Gallagher and Fairfield.
- (4) Mr. Gallagher s appointment as WMIH s Chief Executive Officer became effective May 15, 2015. Pursuant to the Gallagher employment agreement, Mr. Gallagher receives an annual base salary equal to \$500,000.
- (5) Mr. Fairfield s appointment as WMIH s Chief Operating Officer became effective May 15, 2015. Pursuant to the Fairfield employment agreement, Mr. Fairfield receives an annual base salary equal to \$500,000.
- (6) In fiscal year 2017, WMIH paid the Trust \$523,688 on account of services provided by Mr. Smith to WMIH pursuant to the Transition Services Agreement by and between WMIH and the Trust, as amended (which we refer to as the transition services agreement), under which Mr. Smith provides certain designated services to WMIH and the Trust is reimbursed at a fixed rate per hour in exchange for such services.
- (7) Mr. Jaeger was not compensated by WMIH directly; rather, payments were made to CXO Consulting Group, LLC (which we refer to as CXOC), an entity owned by Mr. Jaeger, pursuant to an Engagement Agreement, effective May 28, 2012, as amended (which we refer to as the engagement agreement) entered into by and between WMIH and CXOC.

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2017 Grants of Plan-Based Awards

No shares of restricted stock or any other plan-based awards were granted by WMIH to any of its named executive officers during 2017.

Narrative to Summary Compensation Table and Discussion of Grants of Plan-Based Awards

On May 12, 2015, the Board approved an employment agreement with William Gallagher (which we refer to (as amended) as the Gallagher employment agreement) pursuant to which, effective as of May 15, 2015, Mr. Gallagher began serving as WMIH's Chief Executive Officer. The initial term of the Gallagher employment agreement was three years. Under the Gallagher employment agreement, Mr. Gallagher receives an annual base salary equal to \$500,000, subject to applicable withholding taxes. As described below under *Potential Payments upon Termination or Change-in-Control* , in the event that Mr. Gallagher's employment is terminated by WMIH without Cause or due to Mr. Gallagher's resignation for Good Reason prior to the consummation of a Qualifying Acquisition (as such terms are defined in the Gallagher employment agreement and described below under *Potential Payments upon Termination or Change-in-Control*), subject to Mr. Gallagher's execution of a release of claims in favor of WMIH, WMIH will provide Mr. Gallagher with severance in an amount equal to \$250,000. Mr. Gallagher will not receive any severance payment if such termination occurs following the consummation of a Qualifying Acquisition.

Upon the consummation of a Qualifying Acquisition, WMIH and Mr. Gallagher will enter into a restrictive covenant agreement containing customary terms and conditions, including twelve-month post-termination non-competition and non-solicitation covenants.

In addition, on May 12, 2015, the Board approved a restricted stock agreement with Mr. Gallagher (which we refer to as the Gallagher Restricted Stock Agreement), pursuant to which, on May 15, 2015, WMIH issued to Mr. Gallagher an award of 1,777,778 restricted shares of WMIH Common Stock. The number of shares of WMIH Common Stock granted in connection with this award was determined by dividing \$4 million by \$2.25 per share of WMIH Common Stock (i.e., the assumed conversion price specified in the Gallagher Restricted Stock Agreement executed on the grant date); however, pursuant to the terms of the Gallagher employment agreement, WMIH will be required to issue an additional 507,936 restricted shares to Mr. Gallagher if the Merger is consummated since the conversion price of the Series B preferred stock (the Series B Conversion Price) is less than such assumed conversion price. However, while the Series B Conversion Price is below the assumed conversion price, the Gallagher employment agreement provides for a floor conversion price of \$1.75. Accordingly, such floor conversion price will be utilized to determine the number of additional restricted shares required to be issued. As described below under *Potential Payments upon Termination or Change-in-Control* , such award will vest in full upon the consummation of a Qualifying Acquisition, subject to Mr. Gallagher's continued employment with WMIH until such time. However, if WMIH consummates a Qualifying Acquisition within six months following a termination of Mr. Gallagher's employment by WMIH without Cause, due to Mr. Gallagher's resignation for Good Reason or as a result of Mr. Gallagher's death or disability, then the restricted shares will vest at the time of the consummation of the Qualifying Acquisition.

In addition, on May 12, 2015, the Board approved an employment agreement with Thomas Fairfield (which we refer to (as amended) as the Fairfield employment agreement), pursuant to which, effective as of May 15, 2015, Mr. Fairfield began serving as WMIH's Chief Operating Officer. The initial term of the Fairfield employment agreement is three years. Under the Fairfield employment agreement, Mr. Fairfield receives an annual base salary equal to \$500,000, subject to applicable withholding taxes. As described below under *Potential Payments upon Termination or Change-in-Control* , in the event that Mr. Fairfield's employment is terminated by WMIH without Cause or due to Mr. Fairfield's resignation for Good Reason prior to the consummation of a Qualifying Acquisition (such terms are defined in the Fairfield employment agreement and described below under *Potential Payments upon*

Termination or Change-in-Control), subject to Mr. Fairfield's execution of a release of claims in favor of WMIH, WMIH will provide Mr. Fairfield with severance in an amount equal to \$250,000. Mr. Fairfield will not receive any severance payment if such termination occurs following the consummation of a Qualifying Acquisition.

Upon the consummation of a Qualifying Acquisition, WMIH and Mr. Fairfield will enter into a restrictive covenant agreement containing customary terms and conditions, including twelve-month post-termination non-competition and non-solicitation covenants.

In addition, on May 12, 2015, the Board approved a restricted stock agreement with Mr. Fairfield (which we refer to as the *Fairfield Restricted Stock Agreement*) pursuant to which, on May 15, 2015, WMIH issued to Mr. Fairfield an award of 1,777,778 restricted shares of WMIH Common Stock. The number of shares of WMIH Common Stock granted in connection with this award was determined by dividing \$4 million by \$2.25 per share of WMIH Common Stock (i.e., the assumed conversion price specified in the *Fairfield Restricted Stock Agreement* executed on the grant date); however, pursuant to the terms of the *Fairfield* employment agreement, WMIH will be required to issue an additional 507,936 restricted shares to Mr. Fairfield if the Merger is consummated since the Series B Conversion Price is less than such assumed conversion price. However, while the Series B Conversion Price is below the assumed conversion price, the *Fairfield* employment agreement provides for a floor conversion price of \$1.75. Accordingly, such floor conversion price will be utilized to determine the number of additional restricted shares required to be issued. As described below under *Potential Payments upon Termination or Change-in-Control* , such award will vest in full upon the consummation of a Qualifying Acquisition, subject to Mr. Fairfield's continued employment with WMIH until such time. However, if WMIH consummates a Qualifying Acquisition within six months following a termination of Mr. Fairfield's employment by WMIH without Cause, due to Mr. Fairfield's resignation for Good Reason or as a result of Mr. Fairfield's death or disability, then the restricted shares will vest at the time of the consummation of the Qualifying Acquisition.

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Mr. Smith provides services to WMIH as Chief Legal Officer pursuant to the transition services agreement with the Trust, Mr. Smith's employer. WMIH currently pays the Trust an hourly rate of approximately \$478 (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 the engagement agreement with CXOC, which is owned by Mr. Jaeger. The rate of compensation under the engagement agreement was initially \$15,000 per month and subsequently increased to \$22,000 per month effective April 1, 2015. WMIH also reimburses CXOC for reasonable 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.

2012 Plan

The Board approved WMIH's 2012 Long-Term Stock Incentive Plan, as amended (the "2012 Plan") on May 22, 2012, to award WMIH restricted stock to its non-employee directors and to have a plan in place for awards to executives and others in connection with WMIH'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 WMIH restricted stock is determined using the fair market value of the shares on the issuance date.

A total of 2,000,000 shares of WMIH 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 approved and adopted an amendment to the 2012 Plan, pursuant to which the number of shares of WMIH 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 WMIH's shares are listed, quoted or traded. On February 25, 2015, the Board approved and adopted a Second Amendment to the 2012 Plan, pursuant to which the number of shares of WMIH Common Stock authorized and available for grants under the 2012 Plan was increased from 3,000,000 shares to 12,000,000 shares, subject to approval of stockholders of WMIH, which approval was subsequently received on April 28, 2015 at our annual meeting.

The principal features of the 2012 Plan, as currently in effect, are summarized below.

Available Shares

Subject to adjustments for stock splits, stock dividends, or other changes in corporate capitalization, the 2012 Plan provides that the aggregate number of shares of WMIH 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 WMIH 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 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.

Administration

The 2012 Plan is administered by the WMIH compensation committee. The 2012 Plan authorizes the WMIH 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 WMIH 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 WMIH 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 WMIH compensation committee to delegate its authority as permitted by law and the rules of any established securities market on which WMIH Common Stock is traded, except that only the Board or the WMIH 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.

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Eligibility

Directors, employees, officers and consultants of WMIH, its affiliates or any entity of which WMIH 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 WMIH 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 WMIH or any affiliate. Only employees of WMIH or its subsidiaries may be granted incentive stock options.

Types of Awards

Awards under the 2012 Plan may consist of WMIH restricted stock, WMIH restricted stock units, WMIH performance stock, WMIH performance stock units, WMIH performance cash awards, WMIH stock grants, WMIH stock units, WMIH dividend equivalents, WMIH stock options, WMIH stock appreciation rights or WMIH performance-based awards. 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 WMIH 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 WMIH restricted stock award consists of shares of WMIH Common Stock that generally are non-transferable and subject to other restrictions imposed by the WMIH compensation committee, including, for example, restrictions on the right to receive dividends or vote the shares. Restrictions on WMIH restricted stock may lapse separately or in combination, at such times, in such circumstances, in installments or otherwise as determined by the WMIH compensation committee at the time of grant or thereafter. Participants may not exercise voting rights with respect to WMIH restricted stock unless otherwise provided in the award agreement. If a participant terminates employment or service during the restricted period, then any unvested WMIH restricted stock will be forfeited except as otherwise provided in the award agreement. The WMIH compensation committee may waive any restrictions or forfeiture conditions relating to a WMIH restricted stock award. Any certificates representing shares of WMIH 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 WMIH's possession until all applicable restrictions have lapsed.

A WMIH restricted stock unit award represents the right to receive a specified number of shares of WMIH Common Stock, or a cash payment equal to the fair market value as of a specified date of a specified number of shares of WMIH Common Stock, subject to any vesting or other restrictions deemed appropriate by the WMIH compensation committee. Restrictions on WMIH restricted stock units may lapse separately or in combination, at such times, in such circumstances, in installments or otherwise as determined by the WMIH 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 WMIH compensation committee may waive any restrictions or forfeiture conditions relating to a WMIH restricted stock award. Payment for WMIH restricted stock units will be made at the time designated by the WMIH compensation committee in the award agreement, and may be in the form of cash or shares of WMIH Common Stock, or in a combination of both, as provided by the WMIH compensation committee in the applicable award agreement.

Stock Grant and Stock Unit Awards

The 2012 Plan permits the WMIH compensation committee to grant WMIH stock grant awards and WMIH stock unit awards. A WMIH stock grant award is the right to receive or purchase at a price determined by the WMIH compensation committee a specified number of shares of WMIH Common Stock free of any vesting restrictions. The purchase price, if any, for a WMIH stock grant award is payable in cash or other form of consideration acceptable to the WMIH compensation committee. A WMIH stock unit award represents the right to receive in the future a specified number of shares of WMIH Common Stock, or a cash payment equal to the f