



Reverse Mortgage Solutions, Inc.  
14405 Walters Road, Suite 200,  
Houston, TX 77014  
T 888.918.1110  
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#### **1. What was announced?**

- Ditech Holding Corporation and certain of its subsidiaries including Ditech Financial LLC and Reverse Mortgage Solutions, Inc. (collectively with Ditech Holding, the "Company") entered into a Restructuring Support Agreement (the "RSA") with certain lenders holding more than 75% of the term loans under its credit agreement that provides for a financial restructuring of the Company's debt while the Company continues to evaluate a range of strategic alternatives.
- Under the RSA, the Company will pursue a recapitalization that deleverages its capital structure by extinguishing over \$800 million in corporate debt, and a liquidity enhancing transaction that includes an appropriately sized working capital facility at emergence.
- As contemplated by the RSA, the Company simultaneously continues to consider a broad range of options, including but not limited to potential transactions such as, a stand-alone recapitalization of the Company, a sale of the Company and/or a sale of all or a portion of the Company's assets, as well as potential changes to the Company's business model.
- To facilitate this financial restructuring the Company filed voluntary petitions for reorganization under Chapter 11 of the U.S. Bankruptcy Code in the U.S. Bankruptcy Court for the Southern District of New York.
- The Company is continuing to operate throughout the Chapter 11 cases.
- The Company remains focused on providing homeowners with the right home financing solutions and the same high-quality service they have come to expect from its businesses.

#### **2. What is Chapter 11?**

- Chapter 11 is a section of the U.S. Bankruptcy Code that allows companies to implement financial restructurings through a court-supervised proceeding while continuing to operate their businesses.

#### **3. Why is the Company filing for Chapter 11?**

- Since we completed a recapitalization last February, we have made important progress on our strategic initiatives and our expense management efforts.
- However, as a result of market challenges that have continued to accelerate and pressure our business, we must take further action.
- We intend to use this process to restructure our balance sheet and operational obligations.
- We will continue to evaluate a broad range of options with the goals of maximizing value and creating the best path forward for our business.

#### **4. Didn't you go through this process a year ago? What's different this time?**

- While the process we are beginning today will be similar in some respects to the one we previously went through, we expect there will be some important differences.
- Since we completed a recapitalization last February, we have made important progress on our strategic initiatives and our expense management efforts.
- However, as a result of market challenges that have continued to accelerate and pressure our business, we must take further action.
- We intend to use this process to restructure our balance sheet and operational obligations.
- We will continue to evaluate a broad range of options with the goals of maximizing value and creating the best path forward for our business.
- Similar to our previous restructuring process, we remain focused on providing homeowners with the right home financing solutions and the same high-quality service they have come to expect from us.



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**5. Is the Company going out of business?**

- The Company is continuing to operate its businesses throughout the Chapter 11 cases.
- We remain focused on providing homeowners with the right home financing solutions and the same high-quality service they have come to expect from us.

**6. How will the reorganization process affect customers?**

- The Company is continuing to operate throughout the Chapter 11 cases.
- We are focused on providing you with the right home financing solution and the same high-quality service you have come to expect from us.
- We are continuing our relentless focus on improving the customer experience.

**7. What happens if I have a pending mortgage application?**

- If you have a pending mortgage application with Ditech Financial ("Ditech"), this process should not affect your pending applications or existing commitment letters or rate lock agreements.
- Ditech expects to continue to process your application and to fund and close approved loans.
- The same loan agent and processing team that has been working with you will continue to work with you.

**8. What happens if I have an existing mortgage?**

- Your obligations under your loan agreements are unchanged, and you should continue to make your mortgage payments on time and in full.
- This restructuring process has not changed your reverse mortgage, and should not change the scheduled or unscheduled draw process, or how and where you receive or send payments.

**9. Why should I continue to do business with the Company?**

- We are focused on providing homeowners with the right home financing solutions and the same high-quality service they have come to expect from us.
- We appreciate your business and remain committed to delivering exceptional service and exceeding your expectations.

**10. Will you be able to meet your customer obligations throughout this process?**

- Yes. We are focused on providing you with the right home financing solution and the same high-quality service you have come to expect from us.
- We are continuing our relentless focus on improving the customer experience.

**11. I have an uncashed check. Will it be honored?**

- You should not attempt to cash or deposit that check for a few days, as there is a temporary freeze on our bank accounts. If you attempt to cash or deposit the check and it is not honored, your bank might charge you a returned check fee.
- As a part of the Chapter 11 process, the Bankruptcy Court must provide us authority to ask banks to honor checks. We are seeking this authority at a hearing that will occur in the coming days.
- If you wait to cash or deposit the check until we receive that authority, the check will likely be processed by your bank.
- We sincerely regret any inconvenience this temporary delay may cause.

**12. I have a loss draft check. Will it be honored?**



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- As a part of the Chapter 11 process, the Bankruptcy Court must provide us authority to ask banks to honor checks. We are seeking this authority at a hearing that will occur in the coming days.
- If you wait to cash or deposit the check until we receive that authority, the check will likely be processed by your bank.
- We sincerely regret any inconvenience this temporary delay may cause.

**13. I need a new loan immediately. Can you provide me a check?**

- As a part of the Chapter 11 process, there is a temporary freeze on our bank accounts and we cannot draft new checks.
- The Bankruptcy Court must provide us authority to ask banks to honor our checks. We are seeking this authority at a hearing that will occur in the coming days.
- We can issue you a check once we get Court approval to do so.
- We sincerely regret any inconvenience this may cause.

**14. I have a check that bounced. Is the Company still honoring checks?**

- As a part of the Chapter 11 process, the Bankruptcy Court must provide us authority to ask banks to honor uncashed checks received by our customers. We are seeking this authority at a hearing that will occur in the coming days.
- Between now and then, there is a temporary freeze on our bank accounts.
- If you still have a copy of the check, you should wait until we receive the authority from the Court discussed above before you try to re-present it to the bank.
- If you have an issue depositing or cashing the check after we have approval for banks to honor it, please call 866-503-5559.
- If your bank charged you a fee for submitting a check from the Company that was dishonored, we will reimburse you up to \$35.00. Please send a copy of your entire bank statement showing the fee charged for the dishonored check to the following address: Ditech Financial LLC 1100 Virginia Drive, Suite 100A, MC: 190-FTW-M98, Fort Washington, PA 19034.
- We apologize for any inconvenience you have experienced.

**15. I attempted to cash or deposit a check from the Company. It bounced and my bank charged me a returned check fee. How do I get reimbursed by the Company for the fee?**

- If your bank charged you a fee for submitting a check from the Company that was dishonored, we will reimburse you up to \$35.00.
- Please send a copy of your entire bank statement showing the fee charged for the dishonored check to the following address: Ditech Financial LLC 1100 Virginia Drive, Suite 100A, MC: 190-FTW-M98, Fort Washington, PA 19034.

**16. Will I still be working with the same representative?**

- Yes, we expect to continue to work with you as in the past.

**17. How can I obtain more information?**



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- Additional information is available on the restructuring page of our website, <http://ditechholding.com>.