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

**FORM 8-K**

**CURRENT REPORT**

**Pursuant to Section 13 or 15(d) of  
The Securities Exchange Act of 1934**

**Date of Report (Date of earliest event reported):** April 17, 2018

**OCWEN FINANCIAL CORPORATION**  
(Exact name of registrant as specified in its charter)

**Florida**  
(State or other jurisdiction  
of incorporation)

**1-13219**  
(Commission  
File Number)

**65-0039856**  
(IRS Employer  
Identification No.)

**1661 Worthington Road, Suite 100  
West Palm Beach, Florida 33409**  
(Address of principal executive offices)

**Registrant's telephone number, including area code: (561) 682-8000**

**Not applicable.**  
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

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. ☐

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**Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.**

(b)(c)(d) On April 19, 2018, Ocwen Financial Corporation (“Ocwen”) announced that its Board of Directors (the “Board”) has determined to appoint Glen Messina as President and Chief Executive Officer (“CEO”) and director of Ocwen, effective as of the date of the previously announced merger with PHH Corporation (“PHH”) (the “Merger Date”). Mr. Messina will succeed Ronald M. Faris, who is retiring from his position as President and CEO effective June 30, 2018 and from Ocwen’s Board as of Ocwen’s 2018 annual meeting of shareholders, having determined not to stand for reelection.

*Biographical Background*

Mr. Messina, age 56, most recently served as the President and Chief Executive Officer of PHH from January 2012 to June 2017 and Chief Operating Officer of PHH from July 2011 to December 2011. Mr. Messina also served as a director of PHH from January 2012 to June 2017 and as a consultant to PHH through March 2018. Prior to joining PHH, Mr. Messina spent 17 years at General Electric Company (“GE”), most recently as Chief Executive Officer of GE Chemical and Monitoring Solutions, a global water and process specialty chemicals services business, from 2008 until July 2011.

*Offer Letter with Mr. Messina*

On April 17, 2018, Ocwen entered into an offer letter with Mr. Messina (the “Offer Letter”). Under the Offer Letter, effective as of the Merger Date, Mr. Messina’s compensation will consist of an annual base salary of \$900,000, an annual target incentive of 150% of base salary and an annual long-term incentive grant with a grant date fair value equal to 350% of base salary, which will be in the form of restricted stock units for 2018. On the Merger Date, Mr. Messina also will be granted a sign-on award of options with a grant date fair value equal to \$1,100,000 and a sign-on award of restricted stock units with a grant date fair value equal to \$900,000. Under the Offer Letter, Mr. Messina will also be eligible for relocation benefits in connection with his relocation to Florida. For the period from May 1, 2018 through the Merger Date, Mr. Messina will be paid \$240,000 for each month, up to a maximum of \$1,200,000.

Under the Offer Letter, in the event of Mr. Messina’s termination without “cause” or resignation for “good reason” (each as defined in the Offer Letter) following the Merger Date, he will be entitled to receive a lump sum termination payment in an amount equal to the sum of his then-current base salary plus annual target incentive, the estimated cost of 18 months’ COBRA benefits, a pro rata portion of his annual bonus payment based on actual achievement of Ocwen performance objectives and payment of any unpaid prior year bonus. In addition, in the event of Mr. Messina’s termination without “cause,” resignation for “good reason” or termination due to death or “disability,” he will be entitled to accelerated vesting of his sign-on option award and sign-on restricted stock unit award. In the event that the Merger Date does not occur, Mr. Messina will not be required to repay any amounts previously paid to him and the Offer Letter will terminate.

The foregoing summary is qualified in its entirety by reference to the Offer Letter, which is attached as Exhibit 10.1 to this Current Report on Form 8-K, and which is incorporated by reference.

*Agreement with Mr. Faris*

Ocwen has entered into a release and restrictive covenants agreement (the “Transition Agreement”) with Mr. Faris, dated April 17, 2018. Under the Transition Agreement, Mr. Faris will be subject to two-year non-competition, three-year non-intervention and three-year non-solicitation provisions and will render transition services to Ocwen for a period of six months. The Transition Agreement provides for a lump sum payment of \$1,750,000 in respect of the restrictive covenant and consulting obligations, a lump sum payment of \$1,050,000 in respect of Mr. Faris’ 2018 annual short-term incentive opportunity, continued participation in Ocwen’s medical plans for 10 years (to the extent permitted by the plan(s)) and continued vesting of his outstanding restricted stock unit and performance stock unit awards in accordance with the terms thereof applicable in the event of retirement.

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In the event the Board determines it appropriate, the Board may appoint an interim CEO on or before June 30, 2018 to serve until Mr. Messina assumes his role.

The foregoing summary of the Transition Agreement is qualified in its entirety by reference to the Transition Agreement, which is attached as Exhibit 10.2 to this Current Report on Form 8-K, and which is incorporated by reference.

**Item 9.01 Financial Statements and Exhibits.**

10.1 [Offer Letter, dated April 17, 2018, between Ocwen Financial Corporation and Glen Messina.](#)

10.2 [Release and Restrictive Covenant Agreement, dated April 17, 2018, between Ocwen Financial Corporation and Ronald M. Faris.](#)

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## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned, hereunto duly authorized.

OCWEN FINANCIAL CORPORATION  
(Registrant)

Date: April 19, 2018

By: /s/ Timothy M. Hayes

Timothy M. Hayes

Executive Vice President and General Counsel

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April 17, 2018

Glen Messina

Dear Glen,

On behalf of Ocwen Financial Corporation (the “Company”) and the Company’s Board of Directors, we are very excited to confirm the terms of your offer, effective immediately upon your acceptance by your signature below delivered to me:

- **Employment Effective Date:** Your employment hereunder will be commence on the date of consummation of the merger of POMS Corp., a wholly-owned subsidiary of the Company (“POMS”), with and into PHH Corporation (“PHH”) (the “Effective Date”), pursuant to the Agreement and Plan of Merger, dated February 27, 2018, by and among the Company, POMS and PHH (the “Merger Agreement”).
  - **Position:** On the Effective Date, you will begin employment as a President and Chief Executive Officer for the Company and you will be appointed as a member of the Company’s Board of Directors (the “Board”). In that capacity, you will report directly to the Board and have all of the customary authorities, duties and responsibilities that accompany these positions.
  - **Duties and Compensation Before the Effective Date.** Before the Effective Date, you will not, directly or indirectly, provide any services to the Company in any capacity whatsoever. Nothing in this offer letter is intended to permit or authorize you to perform any services or take any action which is in violation of or inconsistent with the terms of your May 22, 2016 Restrictive Covenant Agreement and June 28, 2017 Separation and General Release Agreement with PHH and you agree that the terms of such Restrictive Covenant Agreement and Separation and General Release Agreement remain in full force and effect. In light of the fact that your compensation as President and Chief Executive Officer, below, will not begin until the Effective Date, for each month from May 1, 2018 through the Effective Date, the Company will pay you two hundred forty thousand dollars (\$240,000), up to a maximum of one million, two hundred thousand dollars (\$1,200,000). If the Company terminates your employment for Cause or you terminate your employment without Good Reason (each as defined in Annex A) during the one year period following the Effective Date or you rescind your acceptance before the Effective Date, you will be required to reimburse the Company for all amounts paid prior to the Effective Date. If the Merger Agreement terminates for any reason before the Effective Date, you will not be required to repay any amounts previously paid you under this offer letter and this offer letter will terminate.
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- **Professional Fees.** The Company will pay your reasonable professional fees incurred to negotiate and prepare this letter and all related agreements in an amount not to exceed \$25,000.

The remainder of this offer letter, below (other than our signatures), will only apply from and after the Effective Date.

- **Annual Target Direct Compensation.** Your initial annual target direct compensation will be not less than five million, four hundred thousand dollars (\$5,400,000) as follows:
  - **Base Salary:** Your base salary will be at a rate of nine hundred thousand dollars (\$900,000) per annum, less applicable taxes and deductions and will be paid in accordance with the Company's normal payroll practices.
  - **Annual Incentive:** You will be eligible to receive an annual target incentive of 150% of your base salary (\$1,350,000). The actual payout will be determined by the Compensation Committee of the Board in its discretion based on your performance and the Company's performance for the relevant year. The annual target incentive for calendar year 2018 will be pro-rated to your official start date. Annual incentive payments are subject to applicable tax withholdings and deductions.
  - **Long-Term Incentive Grant:** You will be eligible to receive an annual long-term incentive grant having a grant date fair value of not less than 350% of your base salary (initially, \$3,150,000). For 2018, your grant will be in the form of time-vesting restricted stock units ("RSUs") granted on the Effective Date and vesting 1/3 on each of the first, second and third anniversaries of the Effective Date, except as provided below ("2018 Stock Grant"). The 2018 Stock Grant will be subject to the terms and conditions of the 2017 Performance Incentive Plan (the "2017 Plan") and the award agreement, which award agreement will be consistent with the terms of this letter and substantially similar to the form previously provided to you.

Pursuant to Company practice, the Board reviews CEO compensation annually.

- **Signing Option Grant:** On the Effective Date, you will be granted an option having a grant date fair value of one million, one hundred thousand dollars (\$1,100,000) to purchase shares of the Company's common stock (the "Signing Option Grant"), subject to the terms and conditions of the 2017 Plan and the applicable award agreement, which award will be consistent with this letter and substantially similar to the form previously provided to you. The per share exercise price for the Signing Option Grant will be the closing price of a share of the Company's common stock on the Effective Date. The term of the Options shall begin on the Effective Date and will continue for a period of ten (10) years. The Options shall vest 1/3 on each of the first, second and third anniversaries of the Effective Date, except as provided below.
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- **Signing Stock Grant:** On the Effective Date, you will be granted RSUs with an aggregate grant date fair value equal to nine hundred thousand dollars (\$900,000) (the “Signing Stock Grant”). The Signing Stock Grant will vest and deliver 1/3 on each of the first, second and third anniversaries of the Effective Date. Your Signing Option Grant and Signing Stock Grant will be subject to the terms and conditions of the 2017 Plan and the applicable award agreement, which will be consistent with this letter.
  - **Relocation:** The Company will offer you relocation assistance under the Company’s Homeowner Relocation Policy, effective February 2017 (the “Relocation Policy”), that has been provided to you. Relocation assistance will be provided for relocation expenses incurred prior to August 15, 2019, and will include the services of a leading relocation services company, home sale assistance (in the form of a guaranteed offer program) and reimbursement for costs and expenses on the terms provided to you. The Company’s total cost for reimbursement for costs and expenses relating to your relocation (including under the guaranteed offer program but excluding the cost of the temporary commuting expenses as described in the terms provided you) will be limited to five-hundred thousand dollars (\$500,000). Pursuant to the terms of the Relocation Policy, in the event you resign from your position within one year of your relocation, you will be required to reimburse the Company for all amounts paid for your relocation.
  - **Benefits:** You will be eligible to participate in the Company Benefits Program on the first day of the month following completion of 30 days of continuous full-time employment. The Benefits Program includes medical, dental, vision, group term life, long term disability and accidental death and dismemberment, as well as other voluntary benefits such as term life and dependent life. A summary of our benefits and 401k information is attached hereto. We have enclosed a current summary of benefits and an insurance benefit booklet will be provided at the time of your enrollment.
  - **Paid Time Off (“PTO”):** Following 30 days of employment, you will be eligible to accrue PTO at a rate of 2 and 1/4 days per month (27 days annually). In addition, the Company currently provides eligible employees with nine (9) paid holidays each year.
  - **Indemnification:** The Company and you will enter into the customary form of indemnification agreement applicable to members of the Board and executive officers. You will be covered as an insured under the Company’s officers and directors liability insurance.
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- **Termination of Employment:** In the event of the Company's termination of your employment without Cause or your termination of employment for Good Reason (each as defined in Annex A), you will be eligible to receive from the Company: (a) a lump sum termination payment in the amount of the sum of your then-current base salary plus annual target incentive amount, (b) a lump sum payment equivalent to the estimated cost of 18 months' COBRA benefits, such aggregate lump sum (under clauses (a) and (b)) to be paid within 30 days after your employment termination date, (c) a pro rata annual bonus payment for the fiscal year in which your termination occurs based on actual year-end achievement of Company financial performance objectives (disregarding any exercise of negative discretion by the Board or Compensation Committee and notwithstanding any terms of the annual incentive plan to the contrary) which proration will be in the ratio of the number of days employed during such year to 365 and paid when annual bonuses are paid to other active executives, and (d) payment of any unpaid prior year bonus in the amount earned for such year paid when such bonus is paid to other active executives. In the event the Company adopts a severance policy following your employment, you would be paid the greater of the severance under the terms of the policy or under this offer letter. In addition, if your employment is terminated by the Company without Cause or by you for Good Reason, or your employment terminates due to your death or Disability (as defined in Annex A), any unvested portion of the Signing Option Grant and Signing Stock Grant will immediately vest and the Signing Option Grant will remain exercisable for three (3) years (but not past the original term). The benefits in this paragraph are conditioned on the timely delivery and effectiveness of a full release in favor of the Company (including the Company's customary restrictions on solicitation of employees and interference with employees, customers and vendors for one year following termination and no other restrictive covenants that had not been agreed by you prior to such termination other than covenants relating to the release of claims). For the avoidance of doubt, on a termination of your employment by the Company for Cause, all of the Signing Option Grant (whether vested or unvested) and any outstanding portion of the Signing Stock Grant will be forfeited and cancelled.
- **Application of Company Policies:** You will be subject to all applicable policies of the Company that are applicable to members of senior management, as in effect from time to time. Without limiting the generality of the foregoing, as an executive officer, you will be subject to the Company's incentive compensation clawback policy (as may be in effect from time to time).
- **Certain Federal Income Tax Compliance Requirements:** The provisions of Annex B will govern your compensation as may be applicable.

This offer and your acceptance are not to be construed as creating an employment contract for any definite period of time. In this regard, your employment is at-will. This means that just as you are free to leave your employment at any time, the Company reserves the right to terminate your employment at any time and for any reason, with or without cause or notice (it being agreed that you may be eligible for benefits as set forth under "Termination of Employment" above).

This offer and your acceptance are contingent upon our Company completing a satisfactory formal investigation of your background including a review of your employment history, criminal record and the successful completion of a drug screening.

We have also enclosed a Pre-Dispute Agreement and an Employee Intellectual Property Agreement for your execution. Please forward your signed paper work to Edward G. Moran, Senior Vice President, Human Resources at [Edward.Moran@ocwen.com](mailto:Edward.Moran@ocwen.com) and bring originals on your first day. We are looking forward to your leadership and are confident you will find your role challenging and rewarding.

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Sincerely,

Ocwen Financial Corporation

By: /s/ Timothy M. Hayes  
Timothy M. Hayes  
Executive Vice President and General Counsel

Accepted and Agreed:

/s/ Glen Messina  
Glen Messina

Enclosures

## ANNEX A

As used in this offer letter, the following terms have the meanings specified in this Annex.

- “*Cause*” means your (1) conviction of, or plea of guilty or nolo contendere to, a felony; (2) willful and continued failure to use reasonable best efforts to substantially perform your duties that you fail to remedy to the reasonable satisfaction of the Company within 30 days after written notice is delivered by the Company to you that sets forth in reasonable detail the basis of your failure; or (3) willful misconduct that is or may reasonably be expected to have a material adverse effect on the reputation or interests of the Company.
  - “*Disability*” means a physical or mental impairment which, as reasonably determined by the Committee, renders you unable to perform the essential functions of your employment with the Company, even with reasonable accommodation that does not impose an undue hardship on the Company, for more than 180 days in any 12-month period, unless a longer period is required by federal or state law, in which case that longer period would apply.
  - “*Good Reason*” means (1) a material reduction by the Company in your base salary, annual incentive opportunity or annual total target direct compensation; (2) a material diminution in your position, authority, duties or responsibilities (including reporting responsibilities) or failure by the Board to renominate you for reelection to the Board for the period during which you serve as Chief Executive Officer; or (3) a relocation of your location of employment by more than 50 miles from the office where you are located as of the Effective Date; or (4) the Company’s material breach of any provision of this offer letter; *provided* that (A) you give written notice to the Company setting forth in reasonable detail the basis of the event within 30 days of your becoming aware of it, (B) such event has not been cured within 30 days after your written notice and (C) you terminate your employment within 90 days after you give your notice under (A).
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## ANNEX B

### Section 280G / Section 4999:

In the event that any payments, entitlements or benefits (whether made or provided pursuant to this letter or otherwise) provided to you constitute “parachute payments” within the meaning of Section 280G of the Internal Revenue Code (“Code”), may be subject to an excise tax imposed pursuant to Section 4999 of the Code, then, you will be entitled to the greater of, as determined on an after-tax basis (taking into account any such excise tax), (i) such parachute payments or (ii) the greatest reduced amount of such parachute payments as would result in no amount of such parachute payments being subject to such excise tax. Any such payment reduction contemplated by the preceding sentence will be implemented as follows: first, by reducing any other cash payments to be made to Executive but only if the value of such cash payments is not greater than the parachute value of such payments; second, by cancelling the acceleration of vesting of any outstanding equity-based compensation awards that are subject to performance vesting, the performance goals for which were met as of your date of termination or if later the date of the occurrence of the change in control; third, by cancelling the acceleration of vesting of any restricted stock or restricted stock unit awards; fourth, by eliminating the Company’s payment of the cost of any post-termination continuation of medical and dental benefits for you and your eligible dependents; and fifth, by cancelling the acceleration of vesting of any stock options. In the case of the reductions to be made pursuant to each of the above-mentioned clauses, the payment and/or benefit amounts to be reduced and the acceleration of vesting to be cancelled will be reduced or cancelled in the inverse order of their originally scheduled dates of payment or vesting, as applicable, and shall be so reduced (x) only to the extent that the payment and/or benefit otherwise to be paid or the vesting of the award that otherwise would be accelerated, would be treated as a “parachute payment” within the meaning of Section 280G(b)(2)(A) of the Code, and (y) only to the extent necessary to achieved the required reduction hereunder. The determination of such after-tax amount under clauses (i) and (ii), above, will be made by a nationally recognized certified public accounting firm that is selected by the Company and you, which firm shall not, without your consent, be a firm serving as accountant (including as tax advisor or return preparer) or auditor for the Company or for the individual, entity or group effecting the change in ownership or effective control of the Company.

### Section 409A:

Anything in this Agreement to the contrary notwithstanding:

(A) The parties intend that all payments and benefits under this letter comply with Section 409A of the Code and the regulations promulgated thereunder (collectively “Section 409A”) and, accordingly, to the maximum extent permitted, this letter shall be interpreted in a manner in compliance therewith. To the extent that any provision hereof is modified in order to comply with Section 409A, such modification shall be made in good faith and shall, to the maximum extent reasonably possible, maintain the original intent and economic benefit to you and the Company of the applicable provision without violating the provisions of Section 409A.

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(B) No amount shall be payable pursuant to upon a termination of your employment unless such termination constitutes a “separation from service” with the Company under Section 409A. To the maximum extent permitted by applicable law, amounts payable to you pursuant to such provisions herein shall be made in reliance upon the exception for certain involuntary terminations under a separation pay plan or as short-term deferral under Section 409A. To the extent any amounts payable upon your separation from service under this letter or otherwise are nonqualified deferred compensation under Section 409A, and if you are at such time a “specified employee” thereunder, then to the extent required under Section 409A payment of such amounts shall be postponed until six (6) months following the date of your separation from service (or until any earlier date of your death), upon which date all such postponed amounts shall be paid to you in a lump sum, and any remaining payments due under this letter shall be paid as otherwise provided herein. The determination of whether you are a specified employee at the time of your separation from service shall be made by the Company in accordance with Section 409A.

(C) To the extent that reimbursements or other in-kind benefits under this letter constitute nonqualified deferred compensation, (i) all expenses or other reimbursements hereunder shall be made on or prior to the last day of the taxable year following the taxable year in which such expenses were incurred by you, (ii) any right to reimbursement or in-kind benefits shall not be subject to liquidation or exchange for another benefit, and (iii) no such reimbursement, expenses eligible for reimbursement, or in-kind benefits provided in any taxable year shall in any way affect the expenses eligible for reimbursement, or in-kind benefits to be provided, in any other taxable year.

(D) For purposes of Section 409A, your right to receive installment payments pursuant to this letter shall be treated as a right to receive a series of separate and distinct payments. Whenever a payment under this letter specifies a payment period with reference to a number of days, the actual date of payment within the specified period shall be within the sole discretion of the Company. Any other provision of this letter to the contrary notwithstanding, in no event shall any payment or benefit under this letter that constitutes nonqualified deferred compensation for purposes of Section 409A be subject to offset by any other amount unless otherwise permitted by Section 409A.

(E) To the extent any amount payable to you is subject to your entering into a release of claims with the Company and any such amount is a deferral of compensation under Section 409A and which amount could be payable in either of two taxable years for you, such payments shall be made or commence, as applicable, on January 15 (or any later date within seven (7) days after the release becomes irrevocable) of such later taxable year and shall include all payments that otherwise would have been made before such date.

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## RELEASE AND RESTRICTIVE COVENANTS AGREEMENT

This Release and Restrictive Covenants Agreement (the “Agreement”), dated as of April 17, 2018 is by and between Ronald M. Faris (“Individual”) and Ocwen Financial Corporation and its subsidiaries and affiliates (the “Company”). In consideration of the mutual covenants and agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Effective Date and Acknowledgments

Individual and the Company will end their employment relationship on June 30, 2018 (the “Effective Date”) and Individual will retire as of the Effective Date. Effective immediately on the Effective Date, Individual will irrevocably resign from any and all positions as an officer, employee, member, manager or any other position he serves in for the Company, including but not limited to President and Chief Executive Officer, Ocwen Financial Corporation. Individual no longer will be authorized to transact business or incur any expenses, obligations and liabilities on behalf of the Company as of the Effective Date. Effective as of the Company’s 2018 annual meeting of shareholders, Individual will irrevocably resign from any and all positions as a director of the Company. Individual also agrees not to seek reinstatement, future employment, or other working relationship with the Company or any of its affiliates. Individual acknowledges and agrees that (a) Individual has received all compensation and benefits for all hours worked through and including the Effective Date as a result of services performed for the Company which will be issued as part of his final paycheck as part of the customary payroll schedule, except as further provided in this Agreement; (b) Individual is not entitled to any additional or future compensation or benefits arising out of Individual’s employment with the Company, except for such compensation or benefits, if any, arising under the retirement or welfare benefits or plans of the Company to which Individual may be entitled by virtue of Individual’s employment with the Company, subject in all cases to the terms and conditions of the plans and agreements governing such benefits; (c) Individual is not entitled to any additional incentive or other bonus or similar compensation other than what has been included herein; (d) Individual is not entitled to the vesting of any additional or future equity awards, except as otherwise set forth herein; (e) Individual has reported to the Company any and all work-related injuries which were incurred during employment; (f) the Company properly provided any leave of absence because of Individual’s or a family member’s health condition and Individual has not been subjected to any improper treatment, conduct or actions due to a request for or taking such leave; (g) Individual has had the opportunity to provide the Company with written notice of any and all concerns regarding suspected ethical and compliance issues or violations on the part of the Company or any other Released Parties; and (h) Individual has reported any pending judicial or administrative complaints, claims, or actions filed against the Company or any other Released Parties.

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2. Non-Competition and Other Post-Employment Restrictions

Individual acknowledges that during his time of employment he was provided access to confidential information and the Company's clients, customers and others with whom the Company has formed valuable business arrangements. Therefore, Individual agrees that he will refrain from using such confidential information to take any action that would interfere with, diminish or impair the valuable relationships that the Company has with its clients, customers and others with which the Company has business relationships or to which services are rendered. Because of the reasons stated above, Individual also agrees to refrain from using such confidential information to recruit or otherwise solicit for employment or induce to terminate the Company's employment of or consultancy with, any person (natural or otherwise) who is or becomes an employee of the Company; or assist with others engaging in any of the foregoing. Further, the Individual agrees that:

- (a) For a period of two (2) years following the Effective Date, Individual will not directly or indirectly through any other person engage in, enter the employ of, render any services to, have any ownership interest in, nor participate in the operation, management or control of, any person anywhere in the continental United States and elsewhere in the world where the Company and its affiliates engage in business, or reasonably anticipate engaging in business on the Effective Date, that as of the Effective Date, or at any time during the two (2) year period following the Effective Date, competes with the Company or any of its affiliates in any business engaged in mortgage servicing, mortgage originations or reverse mortgage lending ("Competitive Activity"); provided, that nothing herein shall prohibit Individual from (A) maintaining a passive ownership interest, as a shareholder, in any corporation at the level in effect as of the Effective Date or (B) becoming a passive owner of not more than 2% of the outstanding stock of any class of a corporation which is publicly traded, so long as Individual has no active participation in the business of such corporation;
- (b) For a period of three (3) years following the Effective Date, Individual will not directly or indirectly take any action that would interfere with, diminish or impair the valuable relationships that the Company has with its clients, customers and others with which the Company has business relationships or to which services are rendered; and



- (c) For a period of three (3) years following the Effective Date, Individual will not directly or indirectly recruit or otherwise solicit for employment or induce to terminate the Company's employment of or consultancy with, any person (natural or otherwise) who is an employee of the Company, or hire any such employee, as the case may be.

3. Transition Assistance

For a period of six (6) months following the Effective Date (the "Transition Period"), Individual agrees to render consulting services to the Company on such matters as the Board of Directors or the Chief Executive Officer of the Company may request within Individual's knowledge and experience related to the businesses of the Company (collectively, the "Services"). The Services shall include, without limitation, assisting the new Chief Executive Officer with his transition, serving as a strategic advisor to the Chief Executive Officer and the Board of Directors, assisting with the integration of PHH Corporation into the Company, advising with respect to assessments of current members of management and advising and assisting on such other matters as may be requested by the Board of Directors or the Chief Executive Officer and agreed to by Individual, which agreement may not be unreasonably withheld. Except as set forth in paragraph 4 of this Agreement, Individual will not be entitled to any compensation for the Services. Notwithstanding the foregoing, the Company will reimburse Individual for reasonable expenses incurred during the Transition Period in accordance with the Company's expense reimbursement policies.

4. Consideration

In consideration of Individual's promises in this Agreement, the Company will provide Individual with (a) a lump sum cash payment of \$1,750,000 in respect of the restrictive covenant and consulting obligations set forth above and (b) a lump sum cash payment of \$1,050,000 in respect of Individual's 2018 annual short-term incentive opportunity (collectively, the "Payment"), in each case on the tenth (10<sup>th</sup>) day following the Effective Date. Individual will continue to participate in the medical insurance programs in effect for Individual immediately prior to the Effective Date upon the same terms and conditions applicable generally for similarly situated executives who remain employed with the Company until the earlier of (a) ten (10) years following the Effective Date (b) the date Individual commences new employment pursuant to which he is eligible for comparable benefits or (c) the date Individual engages in the competitive activity described in any Competitive Activity, to the extent permitted by and in accordance with the terms of such programs (the "Health Benefits"). Individual's outstanding and unvested restricted stock unit and performance stock unit awards will continue to vest following the Effective Date in accordance with the terms thereof applicable to a termination by reason of retirement, and Individual's outstanding vested stock options will remain exercisable in accordance with their terms. The foregoing equity treatment, the Payment and the Health Benefits are collectively referred to as the "Benefits".

The Benefits are contingent upon: (a) the Company's receipt of this fully executed agreement no later than the end of the Consideration Period (as defined below), (b) Individual's agreed resignation as stated in paragraph 1 hereof, (c) the seven-day revocation period has passed without revocation of this Agreement, (d) Individual has executed and returned the Acknowledgment Form (Attachment A hereto) to the Company confirming Individual's decision not to revoke this Agreement, and (e) Individual has returned all company property to the Company. Failure to comply with the foregoing will result in forfeiture of the Benefits.

Amounts the Company is paying in consideration for the Agreement will be treated as taxable compensation but are not intended by either party to be treated, and will not be treated, as compensation for purposes of eligibility or benefits under any benefit plan of the Company, to the extent not inconsistent with the terms of the governing documents of the relevant plans. The Company will apply standard tax and other applicable withholdings to payments made to Individual. Individual agrees that the consideration the Company will provide includes amounts in addition to anything of value to which Individual already is entitled. The Company also will pay Individual any accrued but unused vacation regardless of whether Individual signs this Agreement.

Individual acknowledges and agrees that the Payment is in full satisfaction of any amounts that may otherwise have been payable under any cash bonus or incentive, equity or other arrangement. Individual acknowledges and agrees that Individual is solely responsible for the payment of all personal income taxes or taxes of any other kind or nature, federal, state or local, due on any amounts conveyed pursuant to this Agreement.

5. Full and Final Release

In consideration of the benefits provided by the Company, Individual, for Individual personally and Individual's representatives, heirs, executors, administrators, successors and assigns, fully, finally and forever releases and discharges the Company and its affiliates, as well as their respective successors, assigns, parents, subsidiaries, officers, owners, directors, agents, representatives, attorneys, and employees (all of whom are referred to throughout this Agreement as the "Released Parties"), of and from all claims, demands, actions, causes of action, suits, damages, losses, and expenses, of any and every nature whatsoever, individually or as part of a group action, known or unknown, as a result of actions or omissions occurring through the date Individual signs this Agreement. Specifically included in this waiver and release are, among other things, claims of unlawful discrimination, harassment, or failure to accommodate; claims related to terms and conditions of employment; claims for compensation or benefits; claims for wrongful termination of employment and/or claims under the Equal Pay Act, Title VII of the Civil Rights Act of 1964, the Civil Rights Act of 1991, the Americans with Disabilities Act of 1991, the Age Discrimination in Employment Act of 1967 ("ADEA"), the Older Workers Benefit Protection Act of 1990 ("OWBPA"), the Employee Retirement Income Security Act of 1974 ("ERISA"), the Fair Labor Standards Act, the Worker Adjustment Retraining and Notification Act, the Family Medical Leave Act, the National Labor Relations Act ("NLRA"), or any other federal, state or local statute, rule, ordinance, or regulation, as well as any claims in equity or under common law for tort, contract, or wrongful discharge.

6. Agreement Not To Sue

Other than an action for breach of this Agreement or as otherwise provided in paragraphs 8, 9 and 10, Individual expressly acknowledges that if Individual files any claim or lawsuit, or causes or aids any claim or arbitration to be filed on Individual's behalf, regarding any matter described in this Agreement, the Company may be entitled to recover from Individual some or all money paid under this Agreement, plus attorneys' fees and costs incurred in defending against such action, to the extent permitted by law.

7. Advice of Counsel, Consideration and Revocation Periods, Other Information

The Company advises Individual to consult with an attorney prior to signing this Agreement. Individual has 21 days to consider whether to sign this Agreement from the date Individual receives this Agreement and any attached information (the "Consideration Period"). Individual must return this signed Agreement to the Company's representative identified below within the Consideration Period but not prior to the Effective Date. If Individual signs and returns this Agreement before the end of the Consideration Period, it is because Individual freely chose to do so after carefully considering its terms. Additionally, Individual shall have seven days from the date the Individual signs this Agreement to revoke this Agreement by delivering a written notice of revocation within the seven-day revocation period to the same person as Individual returned this Agreement. If the revocation period expires on a weekend or holiday, Individual will have until the end of the next business day to revoke. This Agreement will become effective on the eighth day after Individual signs this Agreement, provided Individual does not revoke this Agreement (except with respect to Individual's resignation from his positions with the Company, which will become effective in accordance with paragraph 1 of this Agreement). Any modification or alteration of any terms of this Agreement by Individual voids this Agreement in its entirety. Individual agrees with the Company that changes, whether material or immaterial, do not restart the running of the Consideration Period.

8. No Interference with Rights

Nothing in this Agreement is intended to waive claims by the Individual (a) for unemployment or workers' compensation benefits; (b) for vested rights under ERISA-covered employee benefit plans as applicable on the date Individual signs this Agreement; (c) for vested rights under ERISA-covered employee benefit plans that may arise after Individual signs this Agreement; (d) for reimbursement of expenses under the Company's expense reimbursement policies; (e) for rights to indemnification Individual may have (including, but not limited to, indemnification with respect to existing claims as of the Effective Date) under the by-laws or certificate of incorporation of the Company, or under any past, current or future Company Directors & Officers Liability Insurance program or the Indemnification Agreement dated as of March 21, 2015 between the Company and Individual (which such indemnification rights shall continue during the Transition Period), including, for the avoidance of doubt, rights to advancement of expenses; (f) for any claim or right that Individual may have under this Agreement; (g) for any claim or right that may arise after the execution of this Agreement; or (h) which cannot lawfully be released by private agreement. In addition, nothing in this Agreement, including but not limited to the acknowledgments, release of claims, proprietary information, confidentiality, cooperation, and non-disparagement provisions (i) prevents Individual from filing a charge or complaint with, participating in an investigation or proceeding conducted by, or providing truthful information to the Equal Employment Opportunity Commission, the Occupational Safety and Health Administration, National Labor Relations Board, the Securities and Exchange Commission, or any other any federal, state or local agency charged with the enforcement of any laws or (ii) limits Individual from exercising rights under Section 7 of the NLRA to engage in protected, concerted activity with other employees, although by signing this Agreement Individual is waiving rights to individual relief (including backpay, frontpay, reinstatement or other legal or equitable relief) in any charge, complaint, or lawsuit or other proceeding brought by Individual or on Individual's behalf by any third party, except for any right Individual may have to receive a payment from a government agency (and not the Company) for information provided to the government agency.

9. Federal Defend Trade Secrets Act

Notwithstanding the confidentiality and non-disclosure obligations in this Agreement and otherwise, Individual understands that as provided by the Federal Defend Trade Secrets Act, Individual will not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret made: (a) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney, and solely for the purpose of reporting or investigating a suspected violation of law; or (b) in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. Nothing in this Agreement limits Employee's rights under applicable law to provide truthful information to any governmental entity or to file a charge with or participate in an investigation conducted by any governmental entity. Notwithstanding the foregoing, Employee agrees to waive Employee's right to recover monetary damages in connection with any charge, complaint or lawsuit filed by Employee or anyone else on Employee's behalf (whether involving a governmental entity or not); provided that Employee is not agreeing to waive, and this Agreement shall not be read as requiring Employee to waive, any right Employee may have to receive an award for information provided to any governmental entity.

10. Executive Cooperation

Individual shall reasonably cooperate with the Company in connection with: (a) any internal or governmental investigation or administrative, regulatory, arbitral or judicial proceeding involving the Company with respect to matters relating to Individual's employment with the Company (collectively, "Litigation"); (b) any audit of the financial statements of the Company with respect to the period of time when Individual was employed by or provided services to the Company ("Audit"); and (c) providing such other occasional advice, assistance and consultation as the Company may reasonably request from time to time on matters with which Individual was familiar and/or about which Individual acquired knowledge, expertise and/or experience during the time that Individual was employed by the Company to help ensure a smooth transition of his position; provided that such cooperation does not unreasonably interfere with Individual's then-current professional or personal commitments. Individual acknowledges that such cooperation may include, but shall not be limited to, Individual making himself available to the Company (or their respective attorneys or auditors) upon reasonable notice for: (i) interviews, factual investigations, and providing declarations or affidavits that provide truthful information in connection with any Litigation or Audit; (ii) appearing at the request of the Company to give truthful testimony without requiring service of a subpoena or other legal process; (iii) volunteering to the Company pertinent information related to any Litigation or Audit; and (iv) turning over to the Company any documents relevant to any Litigation or Audit that are or may come into Individual's possession. Notwithstanding anything herein to the contrary, Individual will have no obligation to act against his own legal or financial interests or to forgo any constitutional rights (including, but not limited to, in connection with any regulatory investigation), and this paragraph 10 will not affect his indemnification rights. The Company also agrees to reimburse Individual for his time at a rate consistent with his prior pay per hour and actual and reasonable expenses in performing any services pursuant to this paragraph 10 (other than during the Transition Period) that are requested by the Company, provided that Individual promptly submits such expenses for reimbursement along with reasonable and customary supporting documentation for the same. Any such reimbursement shall be paid promptly after receipt by the Company of such materials from Individual, and in all events not later than the end of the calendar year following the calendar year in which Individual incurred the related expenses.

11. Company Property and Confidential Proprietary Information

Individual further agrees and covenants that Individual has not and will not remove from the Company premises any item belonging to the Company and its affiliates, including office equipment, files, business records or correspondence, customer lists, computer data and proprietary or confidential information (“Information”) and that Individual has not and will not disclose or use any Information and/or trade secrets of the Company and its affiliates. To the extent Individual has Information in his possession, Individual agrees to destroy or return to the Company prior to the Effective Date all confidential and proprietary information and all other Company property, as well as all copies or excerpts of any property, files or documents obtained as a result of employment with the Company, except those items that the Company specifically agrees in writing to permit Individual to retain. Individual agrees to keep all such information confidential and not disclose or use the Information for any purpose, or divulge or disclose that Information to any person other than employees of the Company, except as compelled by legal process or pursuant to paragraphs 6 and 7 of this Agreement. In addition, Individual reaffirms his obligations pursuant to the Intellectual Property and Confidentiality Agreement signed by him.

12. Subpoena

Except as provided in paragraphs 8, 9 and 10, Individual further agrees not to testify for, appear on behalf of, or otherwise assist in any way any individual or company in any claim against the Company except, unless, and only pursuant to a lawful subpoena or other legal process issued to Individual. If such a subpoena is issued, Individual will immediately notify the Company’s Legal Department and provide it with a copy of the subpoena, unless the subpoena reflects that the Company has already received a copy.

13. Action for Breach

Violation of any provision of this Agreement by Individual will subject Individual to an action for breach of this Agreement, and an action to obtain reimbursement of all monies paid pursuant to paragraph 4 of this Agreement.

14. Arbitration

Any dispute arising out of or related in any way to this Agreement shall be settled exclusively by final and binding arbitration before a neutral arbitrator pursuant to the American Arbitration Association’s (“AAA”) Employment Arbitration Rules (“AAA’s Rules”), a copy of which is available at [www.adr.org](http://www.adr.org). By way of example only, some of the types of claims subject to final and binding arbitration include claims alleging breach of this Agreement; or any claims the Company may have against Individual. This agreement to arbitrate extends to disputes with or claims against the Released Parties (as intended third party beneficiaries of this Agreement), and survives beyond the Effective Date. AAA’s Rules will govern the allocation of costs and expenses except as otherwise agreed and set forth below. If Individual initiates arbitration by submitting a written claim to the Company’s Human Resource Manager (or other designated representative of the Company), (a) unless Employee elects otherwise, the Company (or the third party beneficiary, if applicable) will be responsible for the filing fee charged by AAA, as well as AAA’s daily administrative fees, the cost of hearing location, and the compensation and travel expenses of the Arbitrator and (b) the prevailing party as determined by the Arbitrator will be entitled to receive from the other party its reasonable attorneys’ fees and costs. The arbitration hearing shall take place in West Palm Beach, Florida.

The Arbitrator shall have authority to hear and rule on a motion to dismiss and/or a motion for summary judgment by any party. The arbitrator shall decide all issues of arbitrability including, but not limited to, any defenses to arbitration based on waiver by litigation conduct, or any other type of waiver, delay, or like defense. The arbitrator shall also decide whether any and all conditions precedent to arbitrability have been fulfilled. All matters of substantive and procedural arbitrability shall be decided exclusively by arbitration.

Notwithstanding the foregoing, the Company and Individual mutually agree that, prior to initiating arbitration in accordance with this paragraph 14, they will first engage the services of a professional mediator agreed upon by the parties and attempt in good faith to resolve the dispute through confidential nonbinding mediation.

**Special Note:** *This agreement to arbitrate affects your legal rights. You may wish to seek legal advice if you have any questions about the effect of this Agreement to arbitrate on your rights.*

15. Agreement of the Parties and Other Acknowledgements

The parties agree that this Agreement sets forth all the promises and agreements between them and supersedes all prior and contemporaneous agreements, understandings, inducements or conditions, express or implied, oral or written, except as contained herein. Notwithstanding any term contained herein, Individual acknowledges and reaffirms his obligations in the Employee Intellectual Property and Confidentiality Agreement and understands that those obligations remain effective following his separation from the Company.

Both parties acknowledge that they have had the opportunity to freely consult, if they so desire, with attorneys of their own choosing prior to signing this document regarding the contents and consequences of this document. The parties understand that the payment and other matters agreed to herein are not to be construed as an admission of or evidence of liability for any violation of the law, willful or otherwise, by any person or entity.

Individual further acknowledges that he fully understands the terms and contents of this Agreement and voluntarily, knowingly, and without coercion enters into this Agreement.

The Parties acknowledge that this Agreement is deemed to have been drafted jointly by the parties and, in the event of a dispute, shall not be construed in favor of or against any party by reason of such party's contribution to the drafting of the Agreement.

In the event any provision of this Agreement is determined to be unenforceable by any trier of fact, the remaining provisions of this Agreement shall nevertheless remain in full force and effect.

16. Choice of Law, Jurisdiction and Venue and Jury Waiver

It is the intention of the parties hereto that all questions with respect to the construction of this Agreement and the rights and liabilities of the parties hereunder shall be determined in accordance with the laws of the State of Florida, without regard to conflict of law principles. In the event any claim or dispute arising out of or relating to this Agreement is determined to be non-arbitrable by an arbitrator or any court of law, the Parties agree that any such claim or dispute will be settled by a court of the State of Florida having jurisdiction to do so and not by a jury. The Parties specifically agree that the Superior Court and the District Court of Palm Beach County, Florida have sole and exclusive jurisdiction over any such claim or dispute determined to be non-arbitrable. The parties further expressly waive any and all objections they may have to venue in any such courts. The parties knowingly and voluntarily waive any right which either or both of them shall have to receive a trial by jury with respect to any claims, controversies or disputes which arise out of or relate to this Agreement or Individual's employment with the Company.

17. No Admission of Liability

Nothing in this Release Agreement shall be construed to be an admission of liability by the Company and its respective parent company, subsidiaries, affiliates, predecessors, successors and assigns, and their officers, directors, shareholders, principals, employees, insurers, and agents for any alleged violation of any of Individual's statutory rights or any common law duty imposed upon the Company.



18. Successors and Assigns

Except as otherwise provided in specific provisions above, this Release Agreement shall be binding upon and inure to the benefit of Individual, Individual's spouse, Individual's heirs, executors, administrators, designated beneficiaries and upon anyone claiming under Individual or Individual's spouse, and shall be binding upon and inure to the benefit of the Company and its successors and assigns. Individual warrants and represents that, except as provided herein, no right, claim, cause of action or demand, or any part thereof, which Individual may have arising out of or in any way related to Individual's employment with the Company, has been or will be assigned, granted or transferred in any way to any other person, entity, firm or corporation, in any manner, including by subrogation or by operation of marital property rights.

19. Exemption from Section 409A of the Internal Revenue Code of 1986, as amended (the "Code").

This Agreement is intended to comply with or be exempt from the requirements of Section 409A of the Internal Revenue Code of 1986 (the "Code") with respect to amounts, if any, subject thereto and shall be interpreted, construed and performed consistent with such intent. Expense reimbursements or in-kind benefits are intended to comply with Section 409A. Each payment under this Agreement will be treated as a separate payment for purposes of Section 409A. Without limiting the foregoing, if necessary to comply with the restriction in Section 409A(a)(2)(B) of the Code concerning payments to "specified employees" (as defined in Section 409A), any payment on account of Individual's separation from service that would otherwise be due hereunder within six (6) months after such separation shall instead be paid on the first business day after the date that is six (6) months following Individual's separation from service (or, if earlier, Individual's date of death). Individual's level of services during the Transition Period shall not exceed twenty (20) percent of the average level of services that Individual performed over the thirty-six (36) month period immediately preceding the Effective Date, consistent with the parties' intent that the Effective Date shall constitute a "separation from service" within the meaning of Section 409A.

IN WITNESS WHEREOF, the parties hereby voluntarily and knowingly enter into this unconditional Release and Restrictive Covenants Agreement.

/s/ Ronald M. Faris  
Ronald M. Faris

OCWEN FINANCIAL CORPORATION

By: /s/ Timothy M. Hayes  
Timothy M. Hayes  
Executive Vice President and General Counsel

