

# **WMIH CORP.**

## **RELATED PERSON TRANSACTION POLICY**

### **Introduction**

The Board of Directors of WMIH Corp. (the “Company”) recognizes that transactions between related persons, including the Company's directors, executive officers and more than 5% stockholders on the one hand, and the Company or one of its subsidiaries on the other, can present potential or actual conflicts of interest and create the appearance that certain Company transactions may not be as favorable to the Company as transactions with unrelated third parties. Accordingly, upon the recommendation of the Audit Committee (the “Committee”), the Company's Board of Directors (the “Board”) has adopted this Policy regarding the review, approval and/or ratification of transactions with related persons.

### **1. Reporting of Related Person Transactions**

The Company's directors, executive officers and beneficial owners of more than 5% of the Company's common stock, preferred stock or other voting securities (“5% beneficial owners”), are expected to disclose in writing the material facts of any transaction that could potentially be considered a Related Person Transaction (as described below) to the Company's Chief Legal Officer. Directors, executive officers and 5% beneficial owners should disclose the potential Related Person Transaction promptly upon gaining knowledge that the transaction may occur or has occurred.

### **2. Who Is A Related Person?**

- Any person who is, or at any time since the beginning of the Company's last fiscal year was, an executive officer, director or nominee to become a director of the Company;
- Any 5% beneficial owner; or
- Any immediate family member of any of the individuals described above. Immediate family members include a person's spouse, parents, stepparents, children, stepchildren, siblings, mothers-in-law, fathers-in-law, sons-in-law, daughters-in-law, brothers-in-law, sisters-in-law, and anyone sharing the household of such executive officer, director, nominee to become a director, and 5% beneficial owner (excluding tenants and employees).

### **3. What Is A Related Person Transaction?**

For purposes of this Policy, a "Related Person Transaction" is any financial transaction, arrangement or relationship (including any indebtedness or guarantee of indebtedness) or any series of similar transactions, arrangements or relationships in which:

- The Company or any of its subsidiaries is, was or will be a participant;
- The aggregate amount involved will, or may be expected to, exceed \$120,000; and
- Any Related Person has, had or will have a direct or indirect material interest (other than solely as a result of being (i) a director or (ii) the beneficial owner with other Related Persons of less than 10% of another entity).

For purposes of this Policy, the following transactions do not constitute "Related Person Transactions" and need not be reported to the Chief Legal Officer:

- Executive employment. Employment by the Company of an executive officer (and the related compensation is reported in the Company's proxy statement) unless he or she is an immediate family member of a Related Person.
- Director compensation. Any regular compensation paid by the Company to a director pursuant to a policy or plan approved by the Board or a duly authorized committee of the Board.
- Stockholder benefits. Transactions in which the Related Person's interest arises solely from the ownership of equity securities; provided that all holders of such securities receive the same benefit on a pro rata basis (e.g., dividends).

#### **4. Review and Approval and/or Ratification Procedures**

##### **Step 1: Initial Determination by Chief Legal Officer**

Upon receipt of a report from a director, executive officer or 5% beneficial owner of a potential Related Person Transaction, or when the Chief Legal Officer otherwise becomes aware of a potential Related Person Transaction, the Chief Legal Officer will determine (1) if the transaction is a Related Person Transaction and (2) if the Related Person Transaction is required to be disclosed in the Company's annual proxy statement or annual report on Form 10-K, in each case under the Related Person Transaction disclosure regulations of the Securities and Exchange Commission. If such disclosure is not required, the transaction will constitute an "approved" transaction, and the Chief Legal Officer will report the transaction to the Committee at its next regularly scheduled meeting for the Committee to ratify. If such disclosure is required, the Chief Legal Officer will submit such a Related Person Transaction for review to the Committee. If the Chief Legal Officer determines it is not practicable to wait until the next Committee meeting for consideration by the Committee of the approval or ratification of a Related Person Transaction, the Chair of the Committee has the

delegated authority during the period between Committee meetings to review and determine whether the transaction should be approved or ratified, as the case may be; provided, however, if the Chair is involved in such a Related Person Transaction, the Chief Legal Officer will submit such Related Person Transaction for review directly to the other members of the Committee.

**Step 2: Review and Approval or Ratification by Chair of Committee (if applicable)**

If the Related Person Transaction has been referred directly to the Chair by the Chief Legal Officer, the Chair of the Committee will review and, to the extent authorized, determine whether to approve or ratify, such Related Person Transaction. The Chair of the Committee is authorized to approve or ratify any Related Person Transaction that involves an aggregate amount of less than \$250,000 or when it would not be practicable, in the judgment of the Chair and the Chief Legal Officer, to wait for the next Committee meeting to approve or ratify the transaction; provided, however, that in no event will the Chair review, approve or ratify any Related Person Transaction in which the Chair is involved. Any approvals or ratifications by the Chair will be reported to the Committee at its next regularly scheduled meeting. Any Related Person Transaction that may not under this Policy be approved or ratified by the Chair will be submitted to the Committee at its next regularly scheduled meeting or, if deemed necessary by the Chief Legal Officer or the Chair, as applicable, at a special meeting of the Committee called for this purpose.

**Step 3: Review and Approval or Ratification by Committee**

The Committee will review and determine whether to approve or ratify any Related Person Transaction that is submitted by the Chief Legal Officer to the Committee under Step 1 above or by the Chair to the Committee under Step 2 above. If the Related Person Transaction to be reviewed and acted upon by the Committee involves a member of the Committee (including the Chair), such Committee member shall recuse himself or herself from deliberations related to such Related Person Transaction and the other members of the Committee shall take appropriate action.

**5. Standards of Review and Approval or Ratification**

Whenever a Related Person Transaction is submitted for review and approval or ratification to the Chair or the Committee, as applicable, the Chair or the Committee will review relevant facts regarding the Related Person Transaction in determining whether to approve or ratify the transaction, including:

- The extent of the Related Person's interest in the transaction;
- Whether the terms are comparable to those generally available in arm's length transactions;

- Whether there are demonstrable business reasons for the Company to enter into the Related Person Transaction;
- Whether the transaction is material to the Company;
- The role the Related Person has played in arranging the Related Person Transaction;
- Whether the Related Person Transaction could impair the independence of a director; and
- Whether the Related Person Transaction is fair and consistent with the best interests of the Company.

The Related Person involved in the Related Person Transaction may participate in the approval/ratification process only to provide additional information as needed for the Chair's or the Committee's review.

If any Related Person Transaction is ongoing or is part of a series of transactions, the Committee may establish guidelines as necessary to appropriately review the ongoing Related Person Transaction. After initial approval/ratification of the transaction, the Committee will review the Related Person Transaction on a regular basis (at least annually).

If any Related Person Transaction is not approved or ratified by the Chair or the Committee, the Committee may take such action in respect of the transaction as it may deem necessary or desirable in the best interests of the Company.

## **6. Authority of Committee**

The Committee is authorized to administer this Policy, and may amend, modify and interpret this Policy, and take such other action in connection with the administration of the Policy, as it deems necessary or desirable; provided, however, any material amendments or modifications to this Policy will be recommended to the full Board for its review and approval.

## **7. Review and Assessment of Policy**

The Committee will periodically review and assess this Policy.

Last Updated: March 29, 2016