

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

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	:	
In re	:	Chapter 11
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DITECH HOLDING CORPORATION, <i>et al.</i> ,	:	Case No. 19-10412 (JLG)
	:	
Debtors. <sup>1</sup>	:	(Jointly Administered)
	:	Related Docket Nos.
-----	X	2695, 3151, 3453

**STIPULATION RESOLVING PROOFS OF CLAIM NOS. 20339, 20340, and 60160**

This stipulation (the “**Stipulation**”)<sup>2</sup> is made and entered into between the Plan Administrator,<sup>3</sup> the Consumer Representative,<sup>4</sup> James Craig, and the Estate of Mollie Craig (the “**Claimants**” and together with the Plan Administrator and Consumer Representative, the “**Parties**”). The Stipulation resolves Proof of Claim No. 20339 by reducing and allowing the claim in the amount of \$20,000 as a Class 6 Consumer Creditor Claim, and which is not a 363(o) claim (as defined by the Third Amended Plan). The Stipulation resolves the objection to Proof of Claim No. 60160 by allowing

<sup>1</sup> On September 26, 2019, the Court confirmed the *Third Amended Joint Chapter 11 Plan of Ditech Holding Corporation and Its Affiliated Debtors* (ECF No. 1404) (the “**Third Amended Plan**”), which created the Wind Down Estates. The Wind Down Estates, along with the last four digits of their federal tax identification number, as applicable, are Ditech Holding Corporation (0486); DF Insurance Agency LLC (6918); Ditech Financial LLC (5868); Green Tree Credit LLC (5864); Green Tree Credit Solutions LLC (1565); Green Tree Insurance Agency of Nevada, Inc. (7331); Green Tree Investment Holdings III LLC (1008); Green Tree Servicing Corp. (3552); Marix Servicing LLC (6101); Walter Management Holding Company LLC (9818); and Walter Reverse Acquisition LLC (8837). The Wind Down Estates’ principal offices are located at 1100 Virginia Drive, Suite 100, Fort Washington, Pennsylvania 19034.

<sup>2</sup> Capitalized terms not defined herein shall have the same meaning given to them in the Third Amended Plan.

<sup>3</sup> The Plan Administrator acts on behalf of Ditech Holding Corporation (f/k/a Walter Investment Management Corp.) and its debtor affiliates (excluding Reorganized RMS) (collectively, the “**Wind Down Estates**”).

<sup>4</sup> The Consumer Representative under the Third Amended Plan acts as the Consumer Claims Trustee on behalf of the Ditech Holding Corporation Consumer Creditor Recovery Trust (the “**Consumer Trust**”), established pursuant to the Third Amended Plan in the above-captioned bankruptcy cases.

the claim as an administrative claim in the amount of \$3,000.00. The Stipulation also proposes to disallow and expunge Proof of Claim No. 20340.

### **RECITALS**

A. On February 11, 2019, Ditech Holding Corporation (f/k/a Walter Investment Management Corp.) and certain of its affiliates (collectively, the “**Debtors**”) each commenced with this Court voluntary cases under chapter 11 of title 11 of the United States Code (the “**Bankruptcy Code**”) in the United States Bankruptcy Court for the Southern District of New York (the “**Bankruptcy Court**”).

B. On September 26, 2019, the Bankruptcy Court confirmed the Debtors’ Third Amended Plan. Under the Third Amended Plan, (i) the Plan Administrator, on behalf of each of the Wind Down Estates, has exclusive authority to object to all Administrative Expense Claims, Priority Tax Claims, Priority Non-Tax Claims, and Other Secured Claims; (ii) the GUC Recovery Trustee, on behalf of the GUC Recovery Trust, has the exclusive authority to object to all General Unsecured Claims; and (iii) the Consumer Representative has the exclusive authority to object to all Consumer Creditor Claims.

C. James Craig filed Proof of Claim No. 20339 asserting an unsecured claim in the amount of \$125,000.00 on March 29, 2019.

D. The Estate of Mollie Craig filed Proof of Claim No. 20340 asserting an unsecured claim in the amount of \$125,000 on March 29, 2019.

E. James Craig filed Proof of Claim No. 60160 asserting an unliquidated administrative expense claim on November 11, 2019.

F. On July 17, 2020, the Plan Administrator filed the *Sixty-First Omnibus Claims Objection to Proofs of Claim (No Basis Consumer Creditor Admin*

*Claims*) (ECF No. 2695) (the “**Sixty-First Omnibus Objection**”), which included an objection to Proof of Claim No. 60160.

G. James Craig filed a response to the Sixty-First Omnibus Objection on August 14, 2020. *See* ECF No. 2773.

H. The Parties have negotiated a settlement with respect to Proof of Claim Nos. 20339, 20340 and resolved the Sixty-First Omnibus Objection as to Proof of Claim No. 60160.

I. The Plan Administrator and Consumer Representative have determined that entering into this Stipulation is in the best interests of the Wind Down Estates, the Consumer Trust, the Consumer Trust’s constituents, the Debtors, and other interested parties.

### **STIPULATION AND AGREEMENT**

**NOW, THEREFORE**, the Parties hereby stipulate and agree:

1. Proof of Claim No. 20339 (a) shall be classified as a Class 6 Consumer Creditor Claim, (b) is a not a 363(o) Claim, and (c) is hereby allowed in the amount of \$20,000.00.

2. Proof of Claim No. 60160 (a) shall be classified as an administrative claim and (b) is hereby allowed in the amount of \$3,000.00.

3. Proof of Claim Nos. 20340 shall be disallowed and expunged from the Debtors’ Claims Register.

4. Any amounts received by the Claimant are designated as a legal, compensatory remedy for monetary loss to the Claimant.

5. The terms of this Stipulation shall be deemed to fully resolve any and all claims (as defined in section 101(5) of the Bankruptcy Code) that the Claimant

asserts or may have against the Debtors, their estates, and the Consumer Trust. Claimants hereby agree to release the Debtors and the Wind Down Estates from any and all liability related to claims that the Claimants have asserted or may have asserted against the Debtors and the Wind Down Estates. Claimants agree not to assert any additional Claims in connection with these chapter 11 cases.

6. The Debtors' claims agent is hereby authorized and empowered to adjust the claims register in accordance with this Stipulation.

7. The Parties are authorized to take any and all actions necessary to comply with the terms of this agreement.

8. This Stipulation constitutes the entire agreement between the Parties regarding the matters addressed herein. The Stipulation supersedes all prior and current discussions, negotiations, understandings and agreements, whether oral or written, express or implied, between the Parties.

9. This Stipulation may only be modified by written agreement of the Parties or pursuant to an order of the Bankruptcy Court.

10. This Stipulation may be executed and delivered in any number of original, electronic, or facsimile counterparts, each of which shall be deemed an original, but which together shall constitute one and the same instrument.

11. The Bankruptcy Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation, interpretation, and/or enforcement of this Stipulation.

*[Signature page follows]*

Dated: January 11, 2021  
New York, New York

**CONSENTING PARTY**

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*Counsel for the Estate of Mollie Craig*

**SO ORDERED,** October 22, 2021  
New York, New York

/s/ James L. Garrity, Jr.

THE HONORABLE JAMES L. GARRITY, JR.  
UNITED STATES BANKRUPTCY JUDGE