

PHH CORP
Form SC 13D
July 23, 2018

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

SCHEDULE 13D

**Under the Securities Exchange Act of 1934
(Amendment No.)***

PHH CORPORATION

(Name of Issuer)

Common Stock, par value \$0.01 per share

(Title of Class of Securities)

693320202

(CUSIP Number of Class of Securities)

Alec N. Litowitz

Magnetar Capital LLC

1603 Orrington Ave.

Evanston, Illinois 60201

(847) 905-4400

(Name, Address and Telephone Number of Person
Authorized to Receive Notices and Communications)

July 11, 2018

(Date of Event Which Requires Filing of this Statement)

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If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D and is filing this schedule because of Rule 13d-1(e), 13d-1(f) or 13d-1(g), check the following box.

Note: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See Rule 240.13d-7(b) for other parties to whom copies are to be sent.

* The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be filed for the purpose of Section 18 of the Securities Exchange Act of 1934 (Act) or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

CUSIP No. 693320202

SCHEDULE 13D

1. Name of Reporting Person:
Magnetar Financial LLC
 2. Check the Appropriate Box if a Member of a Group
(a) o
(b) x
 3. SEC Use Only
 4. Source of Funds
OO
 5. Check Box if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e) o
 6. Citizenship or Place of Organization
Delaware
- | | | | |
|---|-----|--------------------------|-----------|
| | 7. | Sole Voting Power | 0 |
| Number of
Shares
Beneficially
Owned by
Each
Reporting
Person With | 8. | Shared Voting Power | 1,637,760 |
| | 9. | Sole Dispositive Power | 0 |
| | 10. | Shared Dispositive Power | 1,637,760 |
11. Aggregate Amount Beneficially Owned by Each Reporting Person
1,637,760
 12. Check Box if the Aggregate Amount in Row (11) Excludes Certain Shares o
 13. Percent of Class Represented by Amount in Row (11)
5.03%
 14. Type of Reporting Person
IA; OO

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CUSIP No. 693320202

SCHEDULE 13D

1. Name of Reporting Person:
Magnetar Capital Partners LP
2. Check the Appropriate Box if a Member of a Group
(a)
(b)
3. SEC Use Only
4. Source of Funds
OO
5. Check Box if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e)
6. Citizenship or Place of Organization
Delaware
- | | |
|---|---|
| Number of
Shares
Beneficially
Owned by
Each
Reporting
Person With | 7. Sole Voting Power
0 |
| | 8. Shared Voting Power
1,637,760 |
| | 9. Sole Dispositive Power
0 |
| | 10. Shared Dispositive Power
1,637,760 |
11. Aggregate Amount Beneficially Owned by Each Reporting Person
1,637,760
12. Check Box if the Aggregate Amount in Row (11) Excludes Certain Shares
13. Percent of Class Represented by Amount in Row (11)
5.03%
14. Type of Reporting Person
HC; OO

CUSIP No. 693320202

SCHEDULE 13D

1. Name of Reporting Person:
Supernova Management LLC
 2. Check the Appropriate Box if a Member of a Group
(a) o
(b) x
 3. SEC Use Only
 4. Source of Funds
OO
 5. Check Box if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e) o
 6. Citizenship or Place of Organization
Delaware
- | | | |
|---|-----|---------------------------------------|
| Number of
Shares
Beneficially
Owned by
Each
Reporting
Person With | 7. | Sole Voting Power
0 |
| | 8. | Shared Voting Power
1,637,760 |
| | 9. | Sole Dispositive Power
0 |
| | 10. | Shared Dispositive Power
1,637,760 |
11. Aggregate Amount Beneficially Owned by Each Reporting Person
1,637,760
 12. Check Box if the Aggregate Amount in Row (11) Excludes Certain Shares o
 13. Percent of Class Represented by Amount in Row (11)
5.03%
 14. Type of Reporting Person
HC; OO

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CUSIP No. 693320202

SCHEDULE 13D

1. Name of Reporting Person:
Alec N. Litowitz
2. Check the Appropriate Box if a Member of a Group
(a)
(b)
3. SEC Use Only
4. Source of Funds
OO
5. Check Box if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e)
6. Citizenship or Place of Organization
United States of America
- | | | |
|---|-----|---------------------------------------|
| Number of
Shares
Beneficially
Owned by
Each
Reporting
Person With | 7. | Sole Voting Power
0 |
| | 8. | Shared Voting Power
1,637,760 |
| | 9. | Sole Dispositive Power
0 |
| | 10. | Shared Dispositive Power
1,637,760 |
11. Aggregate Amount Beneficially Owned by Each Reporting Person
1,637,760
12. Check Box if the Aggregate Amount in Row (11) Excludes Certain Shares
13. Percent of Class Represented by Amount in Row (11)
5.03%
14. Type of Reporting Person
HC; IN

SCHEDULE 13D

Item 1. Security and Issuer

This Schedule 13D (this Statement) relates to the shares of common stock, par value \$0.01 per share (the Shares), of PHH Corporation, a Maryland corporation (the Company). The principal executive offices of the Company are located at 3000 Leadenhall Road, Mr. Laurel, New Jersey 08054.

Item 2. Identity and Background

(a) The persons filing this Statement are Magnetar Financial LLC, a Delaware limited liability company (Magnetar Financial), Magnetar Capital Partners LP, a Delaware limited partnership (Magnetar Capital Partners), Supernova Management LLC, a Delaware limited liability company (Supernova Management), and Alec N. Litowitz (Mr. Litowitz) (collectively, the Reporting Persons).

This Statement relates to Shares held for the accounts of each of (i) Magnetar PRA Master Fund Ltd, a Cayman Islands exempted company (PRA Master Fund), (ii) Magnetar Constellation Fund II-PRA LP, a Delaware limited partnership (Constellation Fund), and (iii) Magnetar Multi-Strategy Alternative Risk Premia Master Fund Ltd, a Cayman Islands exempted company, (Premia Master Fund), collectively, the (Funds).

Magnetar Financial is a Securities and Exchange Commission (SEC) registered investment adviser under Section 203 of the Investment Advisers Act of 1940, as amended, and manager of private investment funds and managed accounts. Magnetar Financial serves as investment adviser to each of the Funds. In such capacity, Magnetar Financial exercises voting and investment power over the Shares held for the accounts of each of the Funds. Magnetar Capital Partners serves as the sole member and parent holding company of Magnetar Financial. Supernova Management is the general partner of Magnetar Capital Partners. The manager of Supernova Management is Mr. Litowitz.

(b) The business address of each of the Reporting Persons is 1603 Orrington Avenue, 13th Floor, Evanston, Illinois 60201.

(c) Each of the Funds is a private investment fund; Magnetar Financial is a privately-held SEC registered investment adviser and manager of private investment funds and managed accounts, including each of the Funds; Magnetar Capital Partners is a privately-held limited partnership and serves as the sole member and parent holding company of Magnetar Financial; Supernova Management is a privately-held limited liability company and is the general partner of Magnetar Capital Partners; and Mr. Litowitz is a citizen of the United States of America, manager of Supernova Management and Chief Executive Officer of Magnetar Financial.

(d) None of the Reporting Persons has, during the last five years, been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors).

(e) None of the Reporting Persons has, during the last five years, been a party to a civil proceeding of a judicial or administrative body of competent jurisdiction as a result of which such Reporting Person was or is subject to a judgment, decree or final order enjoining future violations

of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws.

(f) Magnetar Financial is a Delaware limited liability company. Magnetar Capital Partners is a Delaware limited partnership. Supernova Management is a Delaware limited liability company. Mr. Litowitz is a citizen of the United States of America.

Item 3. Source and Amount of Funds or Other Consideration

The aggregate amount of funds used by the Reporting Persons in purchasing the 1,637,760 Shares reported herein on behalf of the Funds have come directly from the assets of the Funds controlled by such Reporting Persons and their affiliates, which may, at any given time, have included margin loans made by brokerage firms in the ordinary course of business. The aggregate amount of funds used by the Reporting Persons in purchasing the Shares reported herein on behalf of the Funds was \$17,505,093 (excluding commissions and other execution-related costs).

Item 4. Purpose of Transaction

The Reporting Persons acquired the 1,637,760 Shares reported herein on behalf of the Funds after the public announcement of the Merger Agreement (as defined below) for purposes of receiving the merger consideration described below upon consummation of the Merger (as described below). The Reporting Persons currently intend to vote the 1,637,760 Shares reported herein on behalf of the Funds in favor of the Merger.

Each of the Reporting Persons reserves the right to acquire additional securities of the Company in the open market, in privately negotiated transactions, or otherwise, to dispose of all or a portion of the Shares and/or other securities reported in this Statement, or to change their intention with respect to any or all of the matters referred to in this Item 4.

Item 5. Interest in Securities of the Issuer

The Company reported in their Form 10-Q dated as of May 9, 2018 that 32,557,494 Shares were issued and outstanding as of May 1, 2018.

(a) Each of the Reporting Persons may have been deemed to have beneficial ownership of 1,637,760 Shares, which consists of (i) 1,161,778 Shares held for the benefit of PRA Master Fund, (ii) 465,854 Shares held for the benefit of Constellation Fund; and (iii) 10,128 Shares held for the benefit of Premia Master Fund, and all such Shares represented beneficial ownership of approximately 5.03% of the Shares.

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(b) Each of the Reporting Persons may have been deemed to share the power to vote and direct the disposition of 1,637,760 Shares, which consists of ((i) 1,161,778 Shares held for the benefit of PRA Master Fund, (ii) 465,854 Shares held for the benefit of Constellation Fund; and (iii) 10,128 Shares held for the benefit of Premia Master Fund, and all such Shares represented beneficial ownership of approximately 5.03% of the Shares.

(c) Except as set forth on Schedule A attached hereto and Item 6, the Funds had no transactions in the Shares during the 60 days preceding the date of filing of this Statement. All of the transactions set forth on Schedule A attached hereto were effected in the ordinary course of business of Magnetar Financial for the accounts of each of the Funds. The transactions in the Shares set forth on Schedule A were effected in open market transactions on the New York Stock Exchange and various other trading markets.

As disclosed by the Company in the Form 8-K filed with the SEC on February 27, 2018:

On February 27, 2018, the Company entered into an Agreement and Plan of Merger (the Merger Agreement) with Ocwen Financial Corporation (Ocwen), and POMS Corp (MergerSub) pursuant to which all of PHH's outstanding common stock will be acquired by Ocwen in a merger of PHH with and into MergerSub with PHH surviving (the Merger) in an all cash transaction valued at \$360,361,000. Under the terms of the Merger Agreement, PHH stockholders would receive at closing \$11.00 per fully-diluted share in cash (the Merger Consideration), representing a premium of approximately 24% over the closing price of PHH's common stock of \$8.84 on February 26, 2018.

(d) No other person is known by the Reporting Persons to have the right to receive or the power to direct the receipt of dividends from, or the proceeds from the sale of, any Shares that are beneficially owned by the Reporting Persons.

Item 6. Contracts, Arrangements, Understandings or Relationships with Respect to the Securities of the Issuer

Pursuant to Rule 13d-1(k)(1) promulgated under the Securities Exchange Act of 1934, as amended, the Reporting Persons have entered into an agreement with respect to the joint filing of this Statement, and any amendment or amendments hereto.

Except as otherwise described herein, no contracts, arrangements, understandings or similar relationships exist with respect to the securities of the Company among or between the Reporting Persons or any other person or entity.

Item 7. Material to be Filed as Exhibits

Exhibit No.	Description
99.1	Joint Filing Agreement, dated as of July 21, 2018 among the Reporting Persons.

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Dated: July 21, 2018

MAGNETAR FINANCIAL LLC

By: Magnetar Capital Partners LP, its Sole Member

By: /s/ Alec N. Litowitz
Name: Alec N. Litowitz
Title: Manager of Supernova Management LLC,
the General Partner of Magnetar Capital
Partners LP

MAGNETAR CAPITAL PARTNERS LP

By: /s/ Alec N. Litowitz
Name: Alec N. Litowitz
Title: Manager of Supernova Management LLC,
the General Partner of Magnetar Capital
Partners LP

SUPERNOVA MANAGEMENT LLC

By: /s/ Alec N. Litowitz
Name: Alec N. Litowitz
Title: Manager

/s/ Alec N. Litowitz
Alec N. Litowitz

SCHEDULE A

Funds

Date	Number of Shares Bought	Price Per Share(\$)	(1)(2)
7/2/2018	10,634.00	\$	10.858625(3)
7/3/2018	5,194.00	\$	10.848381(4)
7/5/2018	2,813.00	\$	10.864977(5)
7/6/2018	900.00	\$	10.870556(6)
7/9/2018	14,237.00	\$	10.873665(7)
7/10/2018	5,500.00	\$	10.87612(8)
7/11/2018	6,479.00	\$	10.880806(9)
7/12/2018	9,221.00	\$	10.850853(10)

(1) Excludes commissions and other execution-related costs.

(2) Upon request by the staff of the Securities and Exchange Commission, full information regarding the number of shares bought or sold (as the case may be) at each separate price will be provided.

(3) Reflects a weighted average purchase price of \$10.858625 per share, at prices ranging from \$10.84 to \$10.88 per share.

(4) Reflects a weighted average purchase price of \$10.848381 per share, at prices ranging from \$10.83 to \$10.87 per share.

(5) Reflects a weighted average purchase price of \$10.864977 per share, at prices ranging from \$10.86 to \$10.88 per share.

(6) Reflects a weighted average purchase price of \$10.870556 per share, at prices ranging from \$10.87 to \$10.875 per share.

(7) Reflects a weighted average purchase price of \$10.873665 per share, at prices ranging from \$10.87 to \$10.875 per share.

(8) Reflects a weighted average purchase price of \$10.87612 per share, at prices ranging from \$10.8675 to \$10.88 per share.

(9) Reflects a weighted average purchase price of \$10.880806 per share, at prices ranging from \$10.86 to \$10.89 per share.

(10) Reflects a weighted average purchase price of \$10.850853 per share, at prices ranging from \$10.82 to \$10.88 per share.

EXHIBIT INDEX

Exhibit No.	Description
99.1	Joint Filing Agreement, dated as of July 21, 2018, among the Reporting Persons.