



HOME LOAN<sup>®</sup>  
SERVICING  
SOLUTIONS

Attention: Former U.S. Shareholders of Home Loan Servicing Solutions, Ltd. and HLSS Luxco 1B S.à r.l

## IMPORTANT TAX NOTICE

Re: 2015 PFIC Status

**This statement is provided for shareholders who are United States persons for purposes of the U.S. Internal Revenue Code. It is not relevant to other shareholders.**

Home Loan Servicing and Solutions, Ltd. (“HLSS”) and its formerly wholly-owned subsidiary HLSS Luxco 1B S.à.r.l. (“HLSS Luxco”) expect to meet the Internal Revenue Code definition of a passive foreign investment company (“PFIC”) for the taxable years ended October 23, 2015 and April 6, 2015, respectively. Pursuant to the requirements of Treas. Reg. §1.1295-1(g)(1), this PFIC Annual Information Statement is being made available to you for both HLSS for its taxable year beginning on January 1, 2015 and ending on October 23, 2015 and for HLSS Luxco for its taxable year beginning January 1, 2015 and ending on April 6, 2015. The PFIC Annual Information Statement contains information to enable you, should you choose, to elect to treat each of HLSS and HLSS Luxco as a Qualified Electing Fund (“QEF”). The U.S. federal income tax consequences (including, potentially, the timing and calculation of taxable income) of your investment in HLSS will depend on whether you make a QEF election. U.S. shareholders are advised to consult with their tax advisors regarding the advisability of such election and with respect to the 2015 PFIC Annual Information Statement.

**A U.S. shareholder who makes a QEF election for HLSS and HLSS Luxco is required annually to include in his or her income his or her pro rata share of the ordinary earnings and net capital gains for both HLSS and HLSS Luxco.** The QEF election is made by completing and attaching Form 8621 for each PFIC to your U.S. federal income tax return filed by the due date of the date of the return, including extensions.

Where relevant, HLSS and its subsidiaries elected the asset method of interest apportionment under Treas. Reg. §1.861-9T.

Further information on PFIC rules is available on the internet at the Internal Revenue Service website, including the following pages:

Detailed information about PFICs and the QEF election: [www.irs.gov/instructions/i8621/ch01.html](http://www.irs.gov/instructions/i8621/ch01.html)

Instructions to complete Form 8621: [www.irs.gov/pub/irs-pdf/i8621.pdf](http://www.irs.gov/pub/irs-pdf/i8621.pdf)

Form 8621: [www.irs.gov/pub/irs-pdf/f8621.pdf](http://www.irs.gov/pub/irs-pdf/f8621.pdf)

**THIS INFORMATION IS PROVIDED IN ORDER TO ASSIST SHAREHOLDERS IN MAKING CALCULATIONS AND DOES NOT CONSTITUTE TAX ADVICE. SHAREHOLDERS ARE STRONGLY ADVISED TO CONSULT THEIR OWN TAX ADVISORS CONCERNING THE OVERALL TAX CONSEQUENCES OF THE OWNERSHIP OF HOME LOAN SERVICING SOLUTIONS, LTD. SHARES ARISING IN THEIR OWN PARTICULAR SITUATIONS UNDER THE UNITED STATES FEDERAL, STATE, LOCAL OR FOREIGN LAW.**



**PFIC Annual Information Statement**  
**Home Loan Servicing Solutions, Ltd. – FEIN 98-0683664**

- (1) This information Statement applies to the taxable year of HLSS beginning January 1, 2015 and ending October 23, 2015 (the “Taxable Year”).
- (2) Each HLSS ordinary share is allocated the following amounts of income for 2015:

Pro rata share of Ordinary Earnings/(Loss) per share per day*	\$0.0003
Pro rata share of Net Short-Term Capital Gain per share per day*	\$0.0000
Pro rata share of Net Long-Term Capital Gain per share per day *	\$0.0022

- (3) The amount of cash and the fair market value of other property distributed or deemed distributed by HLSS during the Taxable Year are as follows:

Cash – Ordinary Distributions:

Record Date	Payment Date	Per Share Distributions
12/31/2014	1/12/2015	\$ 0.18
1/30/2015	2/10/2015	\$ 0.18
2/27/2015	3/10/2015	\$ 0.18
3/31/2015	4/10/2015	\$ 0.18

Cash – Liquidating Distributions:


Record Date	Payment Date	Per Share Distributions
4/20/2015	4/27/2015	\$ 16.61
10/23/2015	10/23/2015	\$ 0.70

Fair Market Value of Other Property: \$0.00

- (4) Any shareholders making a QEF election will be permitted by HLSS to inspect and copy its permanent books of account, records, and such other documents as are maintained by HLSS that are necessary to establish that HLSS ordinary earnings and net capital gain, as provided in section 1293(e) of the U.S. Internal Revenue Code, are computed in accordance with U.S. federal income tax principles, and to verify these amounts and his or her pro rata share thereof.

Hexagon Merger Sub, Ltd. as successor to Home Loan Servicing Solutions, Ltd.

Date: March 30, 2016

By:   
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Nicola Santoro, Jr.  
Chief Financial Officer



- To determine your pro rata share of HLSS ordinary earnings and capital gain for the year, which should be included on Form 8621, you should multiply each share you held during 2015 by the number of days each share was held during 2015 (maximum of 296 days if held the full Taxable Year) and multiply that figure by the ordinary earnings per share per day and capital gain per share per day disclosed above to determine the ordinary earnings and capital gain attributable to that share. Use the following examples as a guide to calculate your pro rata share of HLSS's earnings:

**Ordinary Income**

		Example 1	Example 2	Example 3
Number of HLSS ordinary shares held by you	A	1,000	5,000	10,000
Number of days the HLSS ordinary shares were held during the year (January 1, 2015 to October 23, 2015)	B	296	200	150
Daily income per ordinary share during the period January 1, 2015 to October 23, 2015	C	0.0003	0.0003	0.0003
Pro rata share of ordinary earnings	(A) x (B) x (C)	\$ 89	\$ 300	\$ 450

**Capital Gain**

		Example 1	Example 2	Example 3
Number of HLSS ordinary shares held by you	A	1,000	5,000	10,000
Number of days the HLSS ordinary shares were held during the year (January 1, 2015 to October 23, 2015)	B	296	200	150
Daily capital gain per ordinary share during the period January 1, 2015 to October 23, 2015	C	0.0022	0.0022	0.0022
Pro rata share of net long-term capital gain	(A) x (B) x (C)	\$ 651	\$ 2,200	\$ 3,300

U.S. shareholders are advised to consult with their tax advisors with respect to the calculation of their pro rata share of HLSS's ordinary earnings and net short term and long term capital gain for the Taxable Year.



**PFIC Annual Information Statement**  
**HLSS Luxco 1B S.à r.l. – FEIN 98-1146760**

(1) This information Statement applies to the taxable year of HLSS Luxco beginning January 1, 2015 and ending April 6, 2015 (the “Taxable Year”).

(2) Each HLSS Luxco ordinary share is allocated the following amounts of income for 2015:

Pro rata share of Ordinary Earnings/(Loss) per share per day	\$0.0000
Pro rata share of Net Short-Term Capital Gain per share per day	\$0.0000
Pro rata share of Net Long-Term Capital Gain per share per day	\$0.0000

(3) The amount of cash and the fair market value of other property distributed or deemed distributed by HLSS Luxco during the Taxable Year is as follows:


Cash: \$0.00

Fair Market Value of Other Property: \$0.00

(4) Any shareholders making a QEF election will be permitted by HLSS Luxco to inspect and copy its permanent books of account, records, and such other documents as are maintained by HLSS Luxco that are necessary to establish that HLSS Luxco ordinary earnings and net capital gain, as provided in section 1293(e) of the U.S. Internal Revenue Code, are computed in accordance with U.S. income tax principles, and to verify these amounts and his or her pro rata share thereof.

HLSS MSR-EBO Acquisition LLC as successor to HLSS Luxco 1B S.à.r.l.

Date: March 30, 2016

By:   
\_\_\_\_\_  
Nicola Santoro, Jr.  
Chief Financial Officer