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PHH CORP  
Form SC 13D/A  
October 09, 2008

SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

SCHEDULE 13D  
(Amendment No. 7)

Under the Securities Exchange Act of 1934\*

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)

Alan Fournier  
Pennant Capital Management LLC  
26 Main Street, Suite 203  
Chatham, NJ 07928  
(973) 701-1100

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

Copies to:  
Michael A. Schwartz, Esq.  
Willkie Farr & Gallagher LLP  
787 Seventh Avenue  
New York, NY 10019-6099  
(212) 728-8000

October 6, 2008

-----  
(Date of Event which Requires  
Filing of this Schedule)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition which is the subject of this Schedule 13D, and is filing this schedule because of ss.ss. 240.13d-1(e), 240.13d-1(f) or 240.13d-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 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

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1934, as amended (the "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).

SCHEDULE 13D

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CUSIP No. 693320202  
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|   |   |                          |
|---|---|--------------------------|
| 1   | NAME OF REPORTING PERSON<br>I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)   |                          |
|   | Pennant Capital Management LLC  |                          |
| 2   | CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP  | (a) [ ]<br>(b) [X]       |
| 3   | SEC USE ONLY  |                          |
| 4   | SOURCE OF FUNDS   |                          |
|   | AF  |                          |
| 5   | CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDING IS REQUIRED<br>PURSUANT TO ITEMS 2(d) or 2(e) | [ ]                      |
| 6   | CITIZENSHIP OR PLACE OF ORGANIZATION  |                          |
|   | Delaware  |                          |
|   | 7   | SOLE VOTING POWER        |
|   |   | 0                        |
| NUMBER OF<br>SHARES<br>BENEFICIALLY<br>OWNED BY<br>EACH<br>REPORTING<br>PERSON WITH | 8   | SHARED VOTING POWER      |
|   |   | 5,407,141                |
|   | 9   | SOLE DISPOSITIVE POWER   |
|   |   | 0                        |
|   | 10  | SHARED DISPOSITIVE POWER |
|   |   | 5,407,141                |
| 11  | AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH PERSON  |                          |
|   | 5,407,141   |                          |

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12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES [ ]

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

9.97%\*

14 TYPE OF REPORTING PERSON

00

\* Calculated based on 54,256,294 shares of common stock outstanding as of July 16, 2008, as reported in the Issuer's Form 10-Q for the quarterly period ended June 30, 2008.

SCHEDULE 13D

CUSIP No. 693320202

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1 NAME OF REPORTING PERSON  
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

Alan Fournier

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) [ ]  
(b) [X]

3 SEC USE ONLY

4 SOURCE OF FUNDS

AF

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDING IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e) [ ]

6 CITIZENSHIP OR PLACE OF ORGANIZATION

United States

7 SOLE VOTING POWER

0

NUMBER OF SHARES BENEFICIALLY OWNED BY 8 SHARED VOTING POWER 5,407,141

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|                                  |  |                          |     |
|----------------------------------|--|--------------------------|-----|
| EACH<br>REPORTING<br>PERSON WITH | 9  | SOLE DISPOSITIVE POWER   |     |
|                                  |  | 0                        |     |
|                                  | 10   | SHARED DISPOSITIVE POWER |     |
|                                  |  | 5,407,141                |     |
| 11                               | AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH PERSON                       |                          |     |
|                                  |  | 5,407,141                |     |
| 12                               | CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES<br>CERTAIN SHARES |                          | [ ] |
| 13                               | PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)                       |                          |     |
|                                  |  | 9.97%*                   |     |
| 14                               | TYPE OF REPORTING PERSON   |                          |     |
|                                  | IN   |                          |     |

\* Calculated based on 54,256,294 shares of common stock outstanding as of July 16, 2008, as reported in the Issuer's Form 10-Q for the quarterly period ended June 30, 2008.

This Amendment No. 7 to Schedule 13D is filed on behalf of Pennant Capital Management, LLC, a Delaware limited liability company ("Pennant Capital"), and Alan Fournier, a United States citizen ("Mr. Fournier," and together with Pennant Capital, the "Reporting Persons"), and further amends the Schedule 13D originally filed on March 22, 2007, as amended by Amendment No. 1 thereto filed on April 30, 2007, Amendment No. 2 thereto filed on June 20, 2007, Amendment No. 3 thereto filed on August 3, 2007, Amendment No. 4 thereto filed on August 10, 2007, Amendment No. 5 thereto filed on August 15, 2008 and Amendment No. 6 thereto filed on September 17, 2008 (all as amended by this Amendment No. 7, the "Schedule 13D") with respect to the shares of common stock, par value \$0.01 per share (the "Common Stock"), of PHH Corporation, a Maryland corporation (the "Issuer"). Capitalized terms used and not otherwise defined herein have the meanings ascribed thereto in the Schedule 13D.

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

The last paragraph of Item 6 of the Schedule 13D is hereby amended and restated as follows:

The Funds have entered into certain additional standardized, cash-settled swap agreements with Morgan Stanley Capital Services, Inc., as the counterparty, for which the Common Stock is the reference security. Annex II hereto sets forth the date of each such swap agreement, the number of notional shares of Common Stock covered by each of the agreements, the reference price for the Common Stock covered by each agreement and the termination date of each agreement. Under each swap agreement, the Funds have taken the "long" side of the swap and therefore are entitled to the economic benefits, and are subject to the economic risks, of owning the Common Stock, but have no rights or powers with respect to

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any shares of Common Stock as a result of the agreement. Neither Pennant Capital, Mr. Fournier nor any of the Funds is the beneficial owner of any shares of Common Stock as a result of the swap agreements described above, and, accordingly, the number of shares of Common Stock stated as beneficially owned by the Reporting Persons in this Schedule 13D does not include any ownership as a result of such swap agreements. The swap agreements terminate on the dates set forth in Annex II hereto or upon the written notice of either party.

[Signatures on following page]

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SIGNATURES

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

Dated: October 9, 2008

PENNANT CAPITAL MANAGEMENT LLC

By: /s/ Alan Fournier

-----  
Alan Fournier, Managing Member

By: /s/ Alan Fournier

-----  
Alan Fournier

[SIGNATURE PAGE TO AMENDMENT NO. 7 TO SCHEDULE 13D  
WITH RESPECT TO PHH CORPORATION]

Annex II

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(Swap Agreements Covering Securities of the Issuer)

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| Date      | Shares  | Reference Price | Termination Date |
|-----------|---------|-----------------|------------------|
| 8/29/2008 | 250,000 | 15.30           | 9/2/2010         |
| 9/2/2008  | 113,600 | 15.86           | 9/4/2010         |
| 9/3/2008  | 50,900  | 15.95           | 9/7/2010         |
| 9/4/2008  | 85,500  | 15.49           | 9/8/2010         |
| 9/15/2008 | 100,000 | 14.01           | 9/14/2010        |
| 9/16/2008 | 50,000  | 13.77           | 9/15/2010        |
| 9/17/2008 | 50,000  | 13.46           | 9/22/2010        |
| 9/18/2008 | 5,000   | 12.97           | 9/23/2010        |
| 9/29/2008 | 100,000 | 12.73           | 10/4/2010        |
| 9/30/2008 | 19,400  | 12.23           | 10/5/2010        |
| 10/1/2008 | 50,000  | 11.75           | 10/6/2010        |
| 10/2/2008 | 50,000  | 9.25            | 10/7/2010        |
| 10/3/2008 | 80,600  | 8.99            | 10/8/2010        |
| 10/6/2008 | 219,700 | 8.25            | 10/11/2010       |
| 10/7/2008 | 50,000  | 8.74            | 10/12/2010       |
| 10/8/2008 | 200,000 | 8.27            | 10/13/2010       |