

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

AMENDMENT NO. 1  
TO

**Form 10**

**GENERAL FORM FOR REGISTRATION OF SECURITIES  
PURSUANT TO SECTION 12(b) OR 12(g)  
OF THE SECURITIES EXCHANGE ACT OF 1934**

**Altisource Portfolio Solutions S.A.**

*(Exact name of registrant as specified in its charter)*

**Luxembourg**  
*(State or Other Jurisdiction of  
Incorporation or Organization)*

**Not Applicable**  
*(I.R.S. Employer  
Identification Number)*

2-8 Avenue Charles de Gaulle,  
L-1653 Luxembourg  
Grand Duchy of Luxembourg  
R.C.S. Luxembourg: B 72 391  
*(Address of Principal Executive Offices)*

**Registrant's telephone number, including area code:**  
407-737-5419

**Securities to be registered pursuant to Section 12(b) of the Act:**

<u>Title of Each Class to be so Registered</u>	<u>Name of Each Exchange on Which Each Class is to be Registered</u>
Common Stock, \$1.00 par value per share	The NASDAQ Stock Market LLC

**Securities to be registered pursuant to Section 12(g) of the Act:**

None.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer 
                                 
 Accelerated filer 
                                 
 Non-accelerated filer 
                                 
 Smaller reporting company 
  
 (Do not check if a smaller reporting company)

Altisource Portfolio Solutions S.A.

Cross-Reference Sheet Between the Information Statement and Items of Form 10

Our information statement may be found as Exhibit 99.1 to this Form 10. For your convenience, we have provided below a cross-reference sheet identifying where the items required by Form 10 can be found in the information statement.

Item No.	Caption	Location in Information Statement
1.	Business	See "Summary," "Forward-Looking Statements," "The Separation," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Business"
1A.	Risk Factors	See "Risk Factors," "Quantitative and Qualitative Disclosures About Market Risk" and "Forward-Looking Statements"
2.	Financial Information	See "Summary," "Risk Factors," "Selected Financial Data," "Unaudited Pro Forma Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations"
3.	Properties	See "Business — Properties and Facilities"
4.	Security Ownership of Certain Beneficial Owners and Management	See "Security Ownership of Certain Beneficial Owners and Management"
5.	Directors and Executive Officers	See "Management"
6.	Executive Compensation	See "Management"
7.	Certain Relationships and Related Transactions, and Director Independence	See "Summary," "Risk Factors," "Relationship Between Ocwen and Us Following the Separation," "Management" and "Certain Relationships and Related Party Transactions"
8.	Legal Proceedings	See "Business — Legal Proceedings"
9.	Market Price of and Dividends on the Registrant's Common Equity and Related Shareholder Matters	See "The Separation" and "Description of Capital Stock"
10.	Recent Sales of Unregistered Securities	None
11.	Description of Registrant's Securities to be Registered	See "Description of Capital Stock"
12.	Indemnification of Directors and Officers	See "Indemnification of Directors and Officers"
13.	Financial Statements and Supplementary Data	See "Summary," "Selected Financial Data," "Unaudited Pro Forma Financial Information" and "Index to the Financial Statements" and the financial statements referenced therein
14.	Changes in and Disagreements with Accountants on Accounting and Financial Disclosure	None
15.	Financial Statements and Exhibits	See "Index to Financial Statements" and the financial statements referenced therein

(a) List of Financial Statements and Schedules.

The following financial statements are included in the information statement and filed as part of this registration statement on Form 10.

- (1) Consolidated Financial Statements of Altisource Portfolio Solutions S.A., including Report of Independent Registered Certified Public Accounting Firm.
- (2) Consolidated Financial Statements of Nationwide Credit, Inc. and Subsidiary for the period January 1, 2007 to June 5, 2007, including Report of Independent Auditors.
- (3) Consolidated Financial Statements of Nationwide Credit, Inc. and Subsidiary for the Year Ended December 31, 2006, including Report of Independent Auditors.
- (b) Exhibits. The following documents are filed as exhibits hereto.

<b>Exhibit Number</b>	<b>Exhibit Description</b>
2.1	Form of Separation Agreement between Altisource Portfolio Solutions S.A. and Ocwen Financial Corporation
3.1	Articles of Incorporation of Altisource Portfolio Solutions S.A.
10.1	Form of Transition Services Agreement between Altisource Solutions S.à r.l. and Ocwen Financial Corporation
10.2	Form of Tax Matters Agreement between Altisource Solutions S.à r.l. and Ocwen Financial Corporation
10.3	Form of Employee Matters Agreement between Altisource Solutions S.à r.l. and Ocwen Financial Corporation
10.4	Form of Intellectual Property Agreement between Altisource Solutions S.à r.l. and Ocwen Financial Corporation
10.5	Form of Services Agreement between Altisource Solutions S.à r.l. and Ocwen Financial Corporation
10.6	Form of Technology Products Services Agreement between Altisource Solutions S.à r.l. and Ocwen Financial Corporation
10.7	Form of Data Center and Disaster Recovery Services Agreement between Altisource Solutions S.à r.l. and Ocwen Financial Corporation
10.8	Form of Altisource Portfolio Solutions S.A. 2009 Equity Incentive Plan
10.9	Employment Agreement by and between Altisource Solutions S.à r.l. and William B. Shepro
10.10	Employment Agreement by and between Altisource Solutions S.à r.l. and Robert D. Stiles
10.11	Employment Agreement by and between Altisource Solutions S.à r.l. and Kevin J. Wilcox
21	List of Subsidiaries of Altisource Portfolio Solutions S.A.
99.1	Information Statement of Altisource Portfolio Solutions S.A.

**SIGNATURE**

Pursuant to the requirements of Section 12 of the Securities Exchange Act of 1934, the registrant has duly caused this registration statement on Form 10 to be signed on its behalf by the undersigned, thereunto duly authorized.

Altisource Portfolio Solutions S.A.

By: /s/ ROBERT D. STILES

Name: Robert D. Stiles

Title: Chief Financial Officer

Dated: June 29, 2009

## EXHIBIT INDEX

<u>Exhibit Number</u>	<u>Exhibit Description</u>
2.1	Form of Separation Agreement between Altisource Portfolio Solutions S.A. and Ocwen Financial Corporation
3.1	Articles of Incorporation of Altisource Portfolio Solutions S.A.
10.1	Form of Transition Services Agreement between Altisource Solutions S.à r.l. and Ocwen Financial Corporation
10.2	Form of Tax Matters Agreement between Altisource Solutions S.à r.l. and Ocwen Financial Corporation
10.3	Form of Employee Matters Agreement between Altisource Solutions S.à r.l. and Ocwen Financial Corporation
10.4	Form of Intellectual Property Agreement between Altisource Solutions S.à r.l. and Ocwen Financial Corporation
10.5	Form of Services Agreement between Altisource Solutions S.à r.l. and Ocwen Financial Corporation
10.6	Form of Technology Products Services Agreement between Altisource Solutions S.à r.l. and Ocwen Financial Corporation
10.7	Form of Data Center and Disaster Recovery Services Agreement between Altisource Solutions S.à r.l. and Ocwen Financial Corporation
10.8	Form of Altisource Portfolio Solutions S.A. 2009 Equity Incentive Plan
10.9	Employment Agreement by and between Altisource Solutions S.à r.l. and William B. Shepro
10.10	Employment Agreement by and between Altisource Solutions S.à r.l. and Robert D. Stiles
10.11	Employment Agreement by and between Altisource Solutions S.à r.l. and Kevin J. Wilcox
21	List of Subsidiaries of Altisource Portfolio Solutions S.A.
99.1	Information Statement of Altisource Portfolio Solutions S.A.

---

---

SEPARATION AGREEMENT

By and Between

OCWEN FINANCIAL CORPORATION

and

ALTISOURCE PORTFOLIO SOLUTIONS S.A.

Dated as of [            ], 2009

---

---

TABLE OF CONTENTS

	Page
ARTICLE I DEFINITIONS	1
ARTICLE II THE SEPARATION	8
Section 2.01 Separation Transactions	8
Section 2.02 Certain Agreements Govern	8
Section 2.03 Termination of Agreements	8
Section 2.04 Transfer of Agreements; Consent	9
Section 2.05 Certain Licenses and Permits	9
Section 2.06 Lease Amendments	9
Section 2.07 Disclaimer of Representations and Warranties	10
Section 2.08 Inadvertent or Incorrect Transfers or Omissions of Assets or Liabilities	10
ARTICLE III ACTIONS PENDING THE DISTRIBUTION	11
Section 3.01 Actions Prior to the Distribution	11
Section 3.02 Conditions Precedent to Consummation of the Distribution	11
ARTICLE IV THE DISTRIBUTION	13
Section 4.01 The Distribution	13
Section 4.02 Sole Discretion of OCWEN	14
ARTICLE V MUTUAL RELEASES; INDEMNIFICATION	14
Section 5.01 Release of Pre-Closing Claims	14
Section 5.02 Indemnification by ALTISOURCE	16
Section 5.03 Indemnification by OCWEN	17
Section 5.04 Indemnification of Third Party Claims	17
Section 5.05 Indemnification Obligations Net of Insurance Proceeds and Other Amounts	17
Section 5.06 Procedures for Indemnification of Third Party Claims	18
Section 5.07 Additional Matters	19
Section 5.08 Remedies Cumulative	19
Section 5.09 Survival of Indemnities	20
Section 5.10 Limitation on Liability	20
ARTICLE VI EXCHANGE OF INFORMATION; CONFIDENTIALITY	20
Section 6.01 Agreement for Exchange of Information; Archives	20

**TABLE OF CONTENTS**  
(continued)

	<b>Page</b>
Section 6.02 Ownership of Information	21
Section 6.03 Compensation for Providing Information	21
Section 6.04 Limitations on Liability	21
Section 6.05 Other Agreements Providing for Exchange of Information	21
Section 6.06 Production of Witnesses; Records; Cooperation	22
Section 6.07 Confidentiality	22
Section 6.08 Protective Arrangements	23
ARTICLE VII DISPUTE RESOLUTION	23
Section 7.01 Disputes	23
Section 7.02 Escalation; Mediation	24
Section 7.03 Court Actions	24
ARTICLE VIII FURTHER ASSURANCES AND ADDITIONAL COVENANTS	25
Section 8.01 Further Assurances	25
Section 8.02 Insurance Matters	26
ARTICLE IX TERMINATION	26
Section 9.01 Termination	26
Section 9.02 Effect of Termination	26
ARTICLE X MISCELLANEOUS	26
Section 10.01 Counterparts; Entire Agreement; Corporate Power	26
Section 10.02 Governing Law	27
Section 10.03 Assignability	27
Section 10.04 Third Party Beneficiaries	27
Section 10.05 Notices	27
Section 10.06 Severability	28
Section 10.07 Publicity	28
Section 10.08 Expenses	28
Section 10.09 Headings	28
Section 10.10 Survival of Covenants	28
Section 10.11 Waivers of Default	29
Section 10.12 Specific Performance	29



**TABLE OF CONTENTS**  
(continued)

	<b>Page</b>
Section 10.13 Amendments	29
Section 10.14 Interpretation	29
Section 10.15 Jurisdiction; Service of Process	29
Section 10.16 Waiver of Jury Trial	30
SCHEDULE I Separation Transactions	

## SEPARATION AGREEMENT

SEPARATION AGREEMENT, dated as of [ ], 2009, between OCWEN FINANCIAL CORPORATION, a Florida corporation (“OCWEN”), and ALTISOURCE PORTFOLIO SOLUTIONS S.A., a société anonyme organized under the laws of the Grand Duchy of Luxembourg and a wholly-owned subsidiary of OCWEN (formerly known as Ocwen Luxembourg S.à.r.l.) (“ALTISOURCE”). Capitalized terms used herein and not otherwise defined shall have the respective meanings assigned to them in Article I.

### R E C I T A L S

WHEREAS, the board of directors of OCWEN has determined that it is in the best interests of OCWEN and its shareholders to separate the existing businesses of OCWEN into two independent businesses, to contribute the ALTISOURCE Business to ALTISOURCE, and to distribute all of the capital stock of ALTISOURCE to the shareholders of OCWEN;

WHEREAS, OCWEN and ALTISOURCE have prepared, and ALTISOURCE has filed with the Commission, the Form 10, which includes the Information Statement and sets forth disclosure concerning ALTISOURCE and the Distribution;

WHEREAS, the Distribution is intended to qualify as a tax-free spin-off under Section 355 of the Code; and

WHEREAS, in connection with the foregoing and to set forth certain aspects of their ongoing relationship after the Separation and the Distribution, the Parties, and certain of their respective Subsidiaries and Affiliates, are entering into this Agreement and/or the Ancillary Agreements.

NOW, THEREFORE, in consideration of the mutual agreements, provisions and covenants contained in this Agreement, the Parties agree as follows:

### ARTICLE I

#### Definitions

For the purpose of this Agreement, the following terms shall have the following meanings:

“Action” means any demand, action, suit, countersuit, arbitration, inquiry, proceeding or investigation by or before any Governmental Authority or any federal, state, local, foreign or international arbitration or mediation tribunal.

“Affiliate” of any Person means a Person that controls, is controlled by or is under common control with such Person. As used herein, “control” of any entity means the possession, directly or indirectly, through one or more intermediaries, of the power to direct or cause the direction of the management or policies of such entity, whether through ownership of voting securities or other interests, by contract or otherwise.

“Agent” means the distribution agent to be appointed by OCWEN to distribute to the shareholders of OCWEN, pursuant to the Distribution, the shares of ALTISOURCE Common Stock held by OCWEN.

“Agreement” means this Separation Agreement.

“ALTISOURCE” has the meaning set forth in the caption.

“ALTISOURCE Business” means the knowledge process outsourcing business (consisting of the mortgage servicing business, the financial servicing business and the technology products business) conducted (i) prior to the Separation, by OCWEN and certain members of the OCWEN Group and (ii) from and after the Separation, by the ALTISOURCE Group, including the businesses contributed by OCWEN to ALTISOURCE pursuant to Article II, which, for the avoidance of doubt, shall not include the businesses currently conducted by BMS Holdings, Inc. and Global Servicing Solutions LLC.

“ALTISOURCE Common Stock” means the common stock, \$1.00 par value per share, of ALTISOURCE.

“ALTISOURCE Group” means ALTISOURCE and any Subsidiary of ALTISOURCE immediately after the Distribution.

“ALTISOURCE Indemnitees” has the meaning set forth in Section 5.03.

“Ancillary Agreements” means the Employee Matters Agreement, the Transition Services Agreement, the Tax Matters Agreement, the Intellectual Property Agreement, the Data Center and Disaster Recovery Agreement, the Services Agreements and any instruments, assignments and other documents and agreements executed in connection with the implementation of the transactions contemplated by this Agreement, including Article II.

“Assets” means assets, properties and rights (including goodwill), wherever located (including in the possession of vendors or other third parties or elsewhere), whether real, personal or mixed, tangible, intangible or contingent, in each case whether or not recorded or reflected or required to be recorded or reflected on the books and records or financial statements of any Person, including the following:

(a) all accounting and other books, records and files, whether in paper, microfilm, microfiche, computer tape or disc, magnetic tape or any other form;

(b) all apparatus, computers and other electronic data processing equipment, fixtures, machinery, furniture, office and other equipment, automobiles, trucks, aircraft, rolling stock, vessels, motor vehicles and other transportation equipment, special and general tools, test devices, prototypes and models and other tangible personal property;

(c) all inventories of materials, parts, raw materials, supplies, work-in-process and finished goods and products;

- (d) all interests in real property of whatever nature, including easements, whether as owner, mortgagee or holder of a security interest in real property, lessor, sublessor, lessee, sublessee or otherwise;
- (e) all interests in any capital stock or other equity interests of any Subsidiary or any other Person; all bonds, notes, debentures or other securities issued by any Subsidiary or any other Person; all loans, advances or other extensions of credit or capital contributions to any Subsidiary or any other Person; and all other investments in securities of any Person;
- (f) all license agreements, leases of personal property, open purchase orders for raw materials, supplies, parts or services, unfilled orders for the manufacture and sale of products and other contracts, agreements or commitments and all rights arising thereunder;
- (g) all letters of credit, performance bonds and other surety bonds;
- (h) all written technical information, data, specifications, research and development information, engineering drawings, operating and maintenance manuals and materials and analyses prepared by consultants and other third parties;
- (i) all domestic and foreign patents, copyrights, trade names, domain names, trademarks, service marks, registrations and applications for any of the foregoing, databases, mask works, Information, inventions (whether or not patentable or patented), processes, know-how, procedures, other proprietary information, and licenses from third parties granting the right to use any of the foregoing;
- (j) all computer applications, programs and other software, including operating software, network software, firmware, middleware, design software, design tools, systems documentation, manuals and instructions;
- (k) all cost information, sales and pricing data, customer prospect lists, supplier records, customer and supplier lists, customer and vendor data, correspondence and lists, product literature, artwork, design, development and manufacturing files, vendor and customer drawings, formulations and specifications, quality records and reports and other books, records, studies, surveys, reports, plans and documents;
- (l) all prepaid expenses, trade accounts and other accounts and notes receivables;
- (m) all claims or rights against any Person arising from the ownership of any Asset, all rights in connection with any bids or offers and all claims, choses in action or similar rights, whether accrued or contingent;
- (n) all rights under insurance policies and all rights in the nature of insurance, indemnification or contribution;
- (o) all licenses (including radio and similar licenses), permits, approvals and authorizations that have been issued by any Governmental Authority;

(p) cash or cash equivalents, bank accounts, lock boxes and other deposit arrangements; and

(q) interest rate, currency, commodity or other swap, collar, cap or other hedging or similar agreements or arrangements.

“Assigned Contract” means (a) any contract that in OCWEN’s sole judgment relates exclusively to the ALTISOURCE Business (“Exclusive Assigned Contracts”) and (b) with respect to any contract that relates, but does not in OCWEN’s sole judgment relate exclusively, to the ALTISOURCE Business (“Partial Assigned Contracts”), the portion, if any, of such Partial Assigned Contract that, in OCWEN’s sole judgment, relates to the ALTISOURCE Business (the “ALTISOURCE Portion”).

“Assignee” has the meaning set forth in Section 2.04(c).

“Code” means the Internal Revenue Code of 1986, as amended.

“Commission” means the U.S. Securities and Exchange Commission.

“Consents” means any consents, waivers or approvals from, or notification requirements to, any Person other than a member of either Group.

“Data Center and Disaster Recovery Agreement” means the Data Center and Disaster Recovery Agreement to be entered into between OCWEN and Solutions.

“Distribution” means the distribution, on a pro rata basis, by OCWEN to the Record Holders of all the outstanding shares of ALTISOURCE Common Stock owned by OCWEN on the Distribution Date.

“Distribution Date” means the date determined in accordance with Section 3.02 on which the Distribution occurs.

“Employee Matters Agreement” means the Employee Matters Agreement to be entered into between OCWEN and Solutions.

“Escalation Notice” has the meaning set forth in Section 8.02.

“Exchange Act” means the Securities Exchange Act of 1934, as amended, together with the rules and regulations promulgated thereunder.

“Form 10” means the registration statement on Form 10 filed by ALTISOURCE with the Commission to effect the registration of ALTISOURCE Common Stock pursuant to the Exchange Act in connection with the Distribution, as such registration statement may be amended or supplemented from time to time.

“Governmental Approvals” means any notices, reports or other filings to be given to or made with, or any consents, registrations, approvals, permits or authorizations to be obtained from, any Governmental Authority.

“Governmental Authority” shall mean any federal, state, local, foreign or international court, government, department, commission, board, bureau, agency, official or other legislative, judicial, regulatory, administrative or governmental authority, including the NASDAQ.

“Group” means either the OCWEN Group or the ALTISOURCE Group, as the context requires.

“Indemnifying Party” has the meaning set forth in Section 5.05(a).

“Indemnitee” has the meaning set forth in Section 5.05(a).

“Indemnity Payment” has the meaning set forth in Section 5.05(a).

“Information” means information, whether or not patentable or copyrightable, in written, oral, electronic or other tangible or intangible forms, stored in any medium, including studies, reports, records, books, contracts, instruments, surveys, discoveries, ideas, concepts, know-how, techniques, designs, specifications, drawings, blueprints, diagrams, models, prototypes, samples, flow charts, data, computer data, disks, diskettes, tapes, algorithms, computer programs or other software, marketing plans, customer names, communications by or to attorneys (including attorney-client privileged communications), memos and other materials prepared by attorneys or under their direction (including attorney work product), and other technical, financial, employee or business information or data.

“Information Statement” means the Information Statement to be sent to each holder of OCWEN Common Stock in connection with the Distribution.

“Insurance Policies” means the insurance policies written by insurance carriers, including those (if any) affiliated with OCWEN, pursuant to which ALTISOURCE or one or more of its Subsidiaries after the Distribution Date (or their respective officers or directors) will be insured or self-insured parties after the Distribution Date.

“Insurance Proceeds” means those monies:

- (a) received by an insured (or its successor-in-interest) from an insurance carrier;
- (b) paid by an insurance carrier on behalf of the insured (or its successor-in-interest); or
- (c) received (including by way of set off) from any third party in the nature of insurance, contribution or indemnification in respect of any Liability;

in any such case net of any applicable premium adjustments (including reserves and retrospectively rated premium adjustments) and net of any costs or expenses incurred in the collection thereof.

“Intellectual Property Agreement” means the Intellectual Property Agreement to be entered into between OCWEN and Solutions.

“Intercompany Accounts” has the meaning set forth in Section 2.03(a).

“NASDAQ” means The NASDAQ Stock Market LLC.

“Liabilities” means any and all claims, debts, demands, actions, causes of action, suits, damages, obligations, accruals, accounts payable, reckonings, bonds, indemnities and similar obligations, agreements, promises, guarantees, make whole agreements and similar obligations, and other liabilities and requirements, including all contractual obligations, whether absolute or contingent, matured or unmatured, liquidated or unliquidated, accrued or unaccrued, known or unknown, whenever arising, and including those arising under any law, rule, regulation, Action, threatened or contemplated Action (including the costs and expenses of demands, assessments, judgments, settlements and compromises relating thereto and attorneys’ fees and any and all costs and expenses whatsoever reasonably incurred in investigating, preparing or defending against any such Actions or threatened or contemplated Actions), order or consent decree of any Governmental Authority or any award of any arbitrator or mediator of any kind, and those arising under any contract, commitment or undertaking, including those arising under this Agreement or any Ancillary Agreement, in each case, whether or not recorded or reflected or required to be recorded or reflected on the books and records or financial statements of any Person), of any nature or kind, whether or not the same would properly be reflected on a balance sheet.

“OCWEN” has the meaning set forth in the caption.

“OCWEN Business” means (a) the business and operations of OCWEN and its Subsidiaries and other Affiliates (including the businesses currently conducted by BMS Holdings, Inc. and Global Servicing Solutions LLC) immediately after the Distribution and (b) except as otherwise expressly provided herein, any terminated, divested or discontinued businesses or operations of OCWEN and its Subsidiaries and other Affiliates.

“OCWEN Common Stock” means the common stock, \$0.01 par value per share, of OCWEN.

“OCWEN Group” means OCWEN and each of its Subsidiaries and other Affiliates immediately after the Distribution.

“OCWEN Indemnitees” has the meaning set forth in Section 5.02.

“Party” shall mean either party hereto, and “Parties” shall mean both parties hereto.

“Person” means an individual, a general or limited partnership, a corporation, a trust, a joint venture, an unincorporated organization, a limited liability entity, any other entity and any Governmental Authority.

“Record Date” means the close of business on the date to be determined by the OCWEN board of directors as the record date for determining the shares of OCWEN Common Stock in respect of which shares of ALTISOURCE Common Stock will be distributed pursuant to the Distribution.

“Record Holders” has the meaning set forth in Section 4.01(b).

“Securities Act” means the Securities Act of 1933, as amended, together with the rules and regulations promulgated thereunder.

“Separation” means (a) any actions to be taken pursuant to Article II and (b) if not addressed by Article II, any transfers of Assets and any assumptions of Liabilities, in each case, between a member of one Group and a member of the other Group, provided for in this Agreement or any Ancillary Agreement.

“Services Agreements” means the Services Agreement and the Technology Products Services Agreement, each to be entered into between OCWEN and Solutions.

“Solutions” means Altisource Solutions S.à r.l., a private limited liability company organized under the laws of the Grand Duchy of Luxembourg and a wholly-owned subsidiary of ALTISOURCE.

“Specified Documents” means the Form 10, the Information Statement and any other registration statement filed with the Commission in connection with the Distribution by or on behalf of ALTISOURCE or any other member of the ALTISOURCE Group.

“Subsidiary” of any Person means any corporation or other organization whether incorporated or unincorporated of which at least a majority of the securities or interests having by the terms thereof ordinary voting power to elect at least a majority of the board of directors or others performing similar functions with respect to such corporation or other organization is directly or indirectly owned or controlled by such Person or by any one or more of its Subsidiaries, or by such Person and one or more of its Subsidiaries; provided, however, that no Person that is not directly or indirectly wholly owned by any other Person shall be a Subsidiary of such other Person unless such other Person controls, or has the right, power or ability to control, that Person.

“Tax Matters Agreement” means the Tax Matters Agreement to be entered into between OCWEN and Solutions.

“Taxes” has the meaning set forth in the Tax Matters Agreement.

“Third Party Claim” means any assertion by a Person (including any Governmental Authority) who is not a member of the OCWEN Group or the ALTISOURCE Group of any claim, or the commencement by any such Person of any Action, against any member of the OCWEN Group or the ALTISOURCE Group.

“Transaction Indemnitees” has the meaning set forth in Section 5.04.



“Transaction Third Party Claim” has the meaning set forth in Section 5.04.

“Transfer” means to sell, assign, transfer, convey and/or deliver.

“Transition Services Agreement” means the Transition Services Agreement dated as of the Distribution Date between OCWEN and Solutions.

## ARTICLE II

### The Separation

Section 2.01 Separation Transactions. On or prior to the Distribution Date, OCWEN shall, and shall cause ALTISOURCE and each other Subsidiary and controlled Affiliate of OCWEN to, effect each of the transactions and Transfers set forth on Schedule I, which transactions and Transfers shall be accomplished in the order described on and subject to the limitations set forth on Schedule I.

Section 2.02 Certain Agreements Govern. Each of OCWEN and ALTISOURCE agrees on behalf of itself and its Subsidiaries that the provisions of the (i) Tax Matters Agreement shall exclusively govern the allocation of Assets and Liabilities related to Taxes, (ii) the Employee Matters Agreement shall exclusively govern the allocation of Assets and Liabilities related to the existing U.S. and Indian employee benefits and pension plans of OCWEN, which plans cover employees and former employees of members of both the OCWEN Group and the ALTISOURCE Group and (iii) the Intellectual Property Agreement shall exclusively govern the transfer and licensing by OCWEN to ALTISOURCE of certain specified intellectual property.

### Section 2.03 Termination of Agreements.

(a) Except as set forth in Section 2.03(b), in furtherance of the releases and other provisions of Section 5.01, each of ALTISOURCE, on the one hand, and OCWEN, on the other hand, shall terminate, or cause to be terminated, effective as of the Distribution Date, any and all agreements, arrangements, commitments and understandings (including all intercompany accounts payable or accounts receivable (“Intercompany Accounts”) accrued as of the Distribution Date) whether or not in writing, between or among ALTISOURCE and/or any other member of the ALTISOURCE Group, on the one hand, and OCWEN and/or any other member of the OCWEN Group, on the other hand. No such terminated Intercompany Account, agreement, arrangement, commitment or understanding (including any provision thereof that purports to survive termination) shall be of any further force or effect after the Distribution Date.

(b) The provisions of Section 2.03(a) shall not apply to any of the following agreements, arrangements, commitments, understandings or Intercompany Accounts (or to any of the provisions thereof): (i) this Agreement and the Ancillary Agreements (and each other agreement, arrangement, commitment, understanding or Intercompany Account expressly contemplated by this Agreement or any Ancillary Agreement to be entered into by either Party or

any other member of its Group); and (ii) any other agreements, arrangements, commitments, understandings or Intercompany Accounts set forth on Schedule 2.03(b).

Section 2.04 Transfer of Agreements; Consent. On or prior to the Distribution Date:

(a) OCWEN shall Transfer or cause to be Transferred all of the rights, title and interest in and to all of the Exclusive Assigned Contracts to ALTISOURCE.

(b) Subject to the provisions of this Section 2.04 and the terms of the Ancillary Agreements, with respect to Partial Assigned Contracts, (i) OCWEN shall use reasonable efforts to cause each such Partial Assigned Contract to be divided into separate contracts for each of the OCWEN Business and the ALTISOURCE Business or (ii) if such a division is not possible, OCWEN shall cause the ALTISOURCE Portion of such Partial Assigned Contract to be assigned to ALTISOURCE, or otherwise to cause the same economic and business terms to govern with respect to such ALTISOURCE Portion (by subcontract, sublicense or otherwise).

(c) Notwithstanding anything in this Agreement to the contrary, this Agreement shall not constitute an agreement to assign any Assigned Contract, in whole or in part, or any rights thereunder if the agreement to assign or attempt to assign, without the consent of a third party, would constitute a breach thereof or in any way adversely affect the rights of the assignor or the assignee (the "Assignee") thereof. Until such consent is obtained, or if an attempted assignment thereof would be ineffective or would adversely affect the rights of any party hereto so that the Assignee would not, in fact, receive all such rights, the parties will cooperate with each other in any alternative arrangement designed to provide for the Assignee the benefits of, and to permit the Assignee to assume liabilities under, any such Assigned Contract. The Parties shall use commercially reasonable efforts (which shall not require the payment of money to the counterparty to any such Assigned Contract) to obtain required consents to assignment of Assigned Contracts hereunder.

Section 2.05 Certain Licenses and Permits. On or prior to the Distribution Date, all licenses, permits and authorizations issued by Governmental Authorities which exclusively relate to the ALTISOURCE Business but which are held in the name of OCWEN or any of its Subsidiaries (other than ALTISOURCE or any of its Subsidiaries), or any of their respective employees, officers, directors, stockholders, agents, or otherwise, on behalf of ALTISOURCE (or its Subsidiaries) shall, to the extent Transferable and to the extent not requiring a consent, approval or authorization for such Transfer, be Transferred by OCWEN to ALTISOURCE (or its Subsidiaries).

Section 2.06 Lease Amendments. On or prior to the Distribution Date, each of OCWEN and ALTISOURCE shall use reasonable efforts to execute amendments to each of the leases (to the extent that the counterparties to such leases are agreeable to such amendments) to which OCWEN is a party and which provide for the lease of real or personal property representing exclusively ALTISOURCE Assets or relating exclusively to the ALTISOURCE

Business, which amendments will provide for the substitution of ALTISOURCE for OCWEN as lessee or lessor, as the case may be, and to the extent agreeable to the other party to the lease excuse OCWEN from any further Liabilities or responsibilities with respect thereto.

Section 2.07 Disclaimer of Representations and Warranties. Each of OCWEN (on behalf of itself and each other member of the OCWEN Group) and ALTISOURCE (on behalf of itself and each other member of the ALTISOURCE Group) understands and agrees that, except as expressly set forth herein or in any Ancillary Agreement, no party to this Agreement, any Ancillary Agreement or any other agreement or document contemplated by this Agreement or any Ancillary Agreement, is representing or warranting in any way as to any Assets, businesses or Liabilities transferred or assumed as contemplated hereby or thereby, as to any consents or approvals required in connection therewith, as to the value or freedom from any security interests of, or any other matter concerning, any Assets of such party, or as to the absence of any defenses or right of setoff or freedom from counterclaim with respect to any claim or other asset, including any accounts receivable, of any such party, or as to the legal sufficiency of any assignment, document or instrument delivered hereunder to convey title to any asset or thing of value upon the execution, delivery and filing hereof or thereof. Except as may expressly be set forth herein or in any Ancillary Agreement, any such assets are being transferred on an "as is," "where is" basis, and the respective transferees shall bear the economic and legal risks that (a) any conveyance shall prove to be insufficient to vest in the transferee good and marketable title, free and clear of any security interest, and (b) any necessary Governmental Approvals or other Consents are not obtained or that any requirements of laws or judgments are not complied with.

Section 2.08 Inadvertent or Incorrect Transfers or Omissions of Assets or Liabilities.

(a) In the event that it is discovered after the Distribution that there was an inadvertent or incorrect omission of the Transfer or assignment by or on behalf of one Party to or on behalf of the other Party of any Asset or Liability that, in the sole judgment of OCWEN, had the Parties given specific consideration to such Asset or Liability prior to the Distribution, would have otherwise been listed on an appropriate Schedule hereto or otherwise caused to be so Transferred or assigned pursuant to this Agreement or any Ancillary Agreement, then upon such a determination by OCWEN, the Parties shall promptly effect such Transfer or assignment of such Asset or Liability, without payment of separate consideration therefor.

(b) In the event that it is discovered after the Distribution that there was an inadvertent or incorrect Transfer or assignment by or on behalf of one Party to or on behalf of the other Party of any Asset or Liability that, in the sole judgment of OCWEN, had the Parties given specific consideration to such Asset or Liability prior to the Distribution, would have otherwise not been listed on an appropriate Schedule hereto or otherwise would not have been so Transferred or assigned pursuant to this Agreement or any Ancillary Agreement, then upon such a determination by OCWEN, the Parties shall promptly unwind such Transfer or assignment of such Asset or Liability and return such Asset to, or cause the assumption of such Liability by, the appropriate Party, without payment of separate consideration therefor.

(c) The Parties hereby agree that to the extent any such Transfer or assignment, or any such unwind of Transfer or assignment, as provided pursuant to Section 2.08(a) or Section 2.08(b) above, is effected after the Distribution Date, such Transfer or assignment or such unwind of Transfer or assignment shall be given effect for all purposes as if such action had occurred as of the Distribution Date.

### ARTICLE III

#### Actions Pending the Distribution

Section 3.01 Actions Prior to the Distribution. (a) Subject to Section 3.02 and Section 4.02, OCWEN and ALTISOURCE shall use reasonable efforts to consummate the Distribution, including by taking the actions specified in this Section 3.01.

(b) Prior to the Distribution Date, OCWEN shall mail the Information Statement to the Record Holders.

(c) ALTISOURCE shall prepare and file, and shall use reasonable efforts to have approved prior to the Distribution Date, an application for the listing of the ALTISOURCE Common Stock to be distributed in the Distribution on NASDAQ or another national securities exchange, subject to official notice of distribution.

(d) OCWEN and ALTISOURCE shall use reasonable efforts to take all such action, if any, as may be necessary or appropriate under the state securities or blue sky laws in connection with the transactions contemplated by this Agreement and the Ancillary Agreements.

(e) OCWEN and ALTISOURCE shall cooperate in preparing, filing with the Commission and causing to become effective any registration statements or amendments thereof which are necessary or appropriate in order to effect the transactions contemplated hereby or to reflect the establishment of, or amendments to, any employee benefit and other plans contemplated by the Employee Matters Agreement requiring registration under the Securities Act.

(f) Prior to the Distribution Date, OCWEN shall duly elect, as members of the ALTISOURCE board of directors, the individuals listed as members of the ALTISOURCE board of directors in the Information Statement, and such individuals shall continue to be members of the ALTISOURCE board of directors on the Distribution Date.

(g) Immediately prior to the Distribution Date, the articles of incorporation of ALTISOURCE, in substantially the form filed as an exhibit to the Form 10, shall be in effect.

Section 3.02 Conditions Precedent to Consummation of the Distribution. The obligations of the Parties to consummate the Distribution shall be conditioned on the satisfaction, or waiver by OCWEN, of the following conditions:

(a) Each Ancillary Agreement shall have been executed by each party thereto and shall be in force and effect.

(b) The Form 10 shall have been filed with the Commission and declared effective by the Commission, no stop order suspending the effectiveness of the Form 10 shall be in effect, no proceedings for such purpose shall be pending before or threatened by the Commission and the Information Statement shall have been mailed to Record Holders.

(c) The ALTISOURCE Common Stock shall have been accepted for listing on NASDAQ or another national securities exchange, subject to official notice of issuance.

(d) A favorable opinion from O'Melveny & Myers LLP in form and substance satisfactory to OCWEN in its sole discretion shall have been obtained that, among other things, confirms (i) the Distribution's tax-free status under Section 355 of the Code and (ii) for U.S. federal income tax purposes, the non-recognition of gain or loss by, and the non-inclusion in the income of, any shareholder of OCWEN Common Stock upon the receipt by such shareholder of shares of ALTISOURCE Common Stock pursuant to the Distribution, except to the extent such shareholder receives cash in lieu of fractional shares of ALTISOURCE Common Stock.

(e) The Separation shall have been completed.

(f) Any material Governmental Approvals and any other material Consents necessary to consummate the Separation and the Distribution shall have been obtained and be in full force and effect.

(g) No order, injunction or decree issued by any Governmental Authority of competent jurisdiction or other legal restraint or prohibition preventing the consummation of the Separation or the Distribution shall be in effect, and no other event outside the control of OCWEN shall have occurred or failed to occur that prevents the consummation of the Separation or the Distribution.

(h) There shall not be pending any litigation or other proceeding: challenging or seeking to restrain or prohibit the consummation of the Separation or the Distribution; seeking to limit the effect of the Separation or the Distribution or the operation of the OCWEN Business or ALTISOURCE Business after the Separation or the Distribution; or seeking material damages from either OCWEN or ALTISOURCE.

(i) No other events or developments shall have occurred prior to the Distribution Date that, in the judgment of the board of directors of OCWEN, would result in the Distribution having a material adverse effect on OCWEN or on the shareholders of OCWEN.

(j) The actions set forth in [Section 3.01\(b\)](#), [\(d\)](#), [Section 3.01\(f\)](#), and [Section 3.01\(g\)](#) shall have been completed.

The foregoing conditions are for the sole benefit of OCWEN and shall not give rise to or create any duty on the part of OCWEN or the OCWEN board of directors to waive or not waive such conditions or in any way limit the right of OCWEN to terminate this Agreement as set forth in [Article XI](#) or alter the consequences of any such termination from those specified in such Article. Any determination made by the OCWEN board of directors prior to the Distribution concerning

the satisfaction or waiver of any or all of the conditions set forth in this Section 3.02 shall be conclusive.

#### ARTICLE IV

##### The Distribution

Section 4.01 The Distribution. (a) ALTISOURCE shall cooperate with OCWEN to accomplish the Distribution and shall, at the direction of OCWEN, promptly take any and all actions necessary or desirable to effect the Distribution. OCWEN shall select any manager in connection with the Distribution, as well as any financial printer, solicitation and/or exchange agent and financial, legal, accounting and other advisors for OCWEN. OCWEN and ALTISOURCE, as the case may be, will provide, or cause the applicable member of its Group to provide, to the Agent all share certificates and any information required in order to complete the Distribution.

(b) Subject to the terms and conditions set forth in this Agreement, (i) on or prior to the Distribution Date, OCWEN shall deliver to the Agent for the benefit of holders of record as of the Distribution Date of all the shares of OCWEN Common Stock that were outstanding on the Record Date, including any Person to whom any holder of shares of OCWEN Common Stock as of the Record Date Transfers, after the Record Date but prior to the Distribution Date, such shares of OCWEN Common Stock (all such holders of record as of the Distribution Date, the "Record Holders"), all the issued and outstanding shares of ALTISOURCE Common Stock then owned by OCWEN or any other member of the OCWEN Group and book-entry transfer authorizations for such shares and (ii) on the Distribution Date, OCWEN shall instruct the Agent to distribute, by means of a pro rata dividend, to each Record Holder (or such Record Holder's bank or brokerage firm on such Record Holder's behalf) electronically, by direct registration in book-entry form, one share of ALTISOURCE Common Stock for every three shares of OCWEN Common Stock held by such Record Holder, subject to Section 4.01(c) below. The Distribution shall be effective at 11:59 p.m. New York City time on the Distribution Date. On or immediately following the Distribution Date, the Agent will mail an account statement indicating the number of shares of ALTISOURCE Common Stock that have been registered in book-entry form in the name of each Record Holder that holds physical share certificates representing its shares of OCWEN Common Stock and that is the registered holder of the shares represented by those certificates (and the amount of cash in lieu of fractional shares as provided in Section 4.01(c) below).

(c) OCWEN shareholders who, after aggregating the number of shares of ALTISOURCE Common Stock (or fractions thereof) to which such shareholder would be entitled on the Record Date, would be entitled to receive a fraction of a share of ALTISOURCE Common Stock in the Distribution, will receive cash in lieu of fractional shares. Fractional shares of ALTISOURCE Common Stock will not be distributed in the Distribution nor credited to book-entry accounts. The Agent shall, as soon as practicable after the Distribution Date (a) determine the number of whole shares and fractional shares of ALTISOURCE Common Stock allocable to each other holder of record or beneficial owner of OCWEN Common Stock as of close of business on the Record Date, (b) aggregate all such fractional shares into whole shares and sell the whole shares obtained thereby in open market transactions at then prevailing

trading prices on behalf of holders who would otherwise be entitled to fractional share interests, and (c) distribute to each such holder, or for the benefit of each such beneficial owner, such holder's or owner's ratable share of the net proceeds of such sale, based upon the average gross selling price per share of ALTISOURCE Common Stock after making appropriate deductions for any amount required to be withheld for United States federal income tax purposes. OCWEN shall bear the cost of brokerage fees and transfer taxes incurred in connection with these sales of fractional shares, which such sales shall occur as soon after the Distribution Date as practicable and as determined by the Agent. None of OCWEN, ALTISOURCE or the applicable Agent will guarantee any minimum sale price for the fractional shares of ALTISOURCE Common Stock. Neither OCWEN nor ALTISOURCE will pay any interest on the proceeds from the sale of fractional shares. The Agent will have the sole discretion to select the broker-dealers through which to sell the aggregated fractional shares and to determine when, how and at what price to sell such shares. Neither the Agent nor the selected broker-dealers will be Affiliates of OCWEN or ALTISOURCE. Any ALTISOURCE Common Stock or cash in lieu of fractional shares with respect to ALTISOURCE Common Stock that remains unclaimed by any holder of record one hundred-eighty (180) days after the Distribution Date shall be delivered to ALTISOURCE. ALTISOURCE shall hold such ALTISOURCE Common Stock and/or cash for the account of such holder of record and any such holder of record shall look only to ALTISOURCE for such ALTISOURCE Common Stock and/or cash, if any, in lieu of fractional share interests, subject in each case to applicable escheat or other abandoned property laws.

Section 4.02 Sole Discretion of OCWEN. OCWEN shall, in its sole and absolute discretion, determine the Distribution Date and all terms of the Distribution, including the form, structure and terms of any transactions and/or offerings to effect the Distribution and the timing of and conditions to the consummation thereof. In addition and notwithstanding anything to the contrary set forth herein, OCWEN may at any time and from time to time until the completion of the Distribution decide to abandon the Distribution or modify or change the terms of the Distribution, including by accelerating or delaying the timing of the consummation of all or part of the Distribution.

#### ARTICLE V

##### Mutual Releases; Indemnification

Section 5.01 Release of Pre-Closing Claims. (a) Except as provided in Section 5.01(c), effective as of the Distribution Date, ALTISOURCE does hereby, for itself and each other member of the ALTISOURCE Group, their respective Affiliates (other than any member of the OCWEN Group), successors and assigns, and all Persons who at any time prior to the Distribution Date have been shareholders, directors, officers, agents or employees of any member of the ALTISOURCE Group (in each case, in their respective capacities as such), release and forever discharge OCWEN and the other members of the OCWEN Group, their respective Affiliates (other than any member of the ALTISOURCE Group), successors and assigns, and all Persons who at any time prior to the Distribution Date have been shareholders, directors, officers, agents or employees of any member of the OCWEN Group (in each case, in their respective capacities as such), and their respective heirs, executors, administrators, successors and assigns, from any and all Liabilities whatsoever, whether at law or in equity (including any right of contribution), whether arising under any contract or agreement, by

operation of law or otherwise, existing or arising from any acts or events occurring or failing to occur or alleged to have occurred or to have failed to occur or any conditions existing or alleged to have existed on or before the Distribution Date, including in connection with the transactions and all other activities to implement the Separation or the Distribution.

(b) Except as provided in [Section 5.01\(c\)](#), effective as of the Distribution Date, OCWEN does hereby, for itself and each other member of the OCWEN Group, their respective Affiliates (other than any member of the ALTISOURCE Group), successors and assigns, and all Persons who at any time prior to the Distribution Date have been shareholders, directors, officers, agents or employees of any member of the OCWEN Group (in each case, in their respective capacities as such), release and forever discharge ALTISOURCE, the other members of the ALTISOURCE Group, their respective Affiliates (other than any member of the OCWEN Group), successors and assigns, and all Persons who at any time prior to the Distribution Date have been shareholders, directors, officers, agents or employees of any member of the ALTISOURCE Group (in each case, in their respective capacities as such), and their respective heirs, executors, administrators, successors and assigns, from any and all Liabilities whatsoever, whether at law or in equity (including any right of contribution), whether arising under any contract or agreement, by operation of law or otherwise, existing or arising from any acts or events occurring or failing to occur or alleged to have occurred or to have failed to occur or any conditions existing or alleged to have existed on or before the Distribution Date, including in connection with the transactions and all other activities to implement the Separation or the Distribution.

(c) Nothing contained in [Section 5.01\(a\)](#) or [\(b\)](#) shall impair any right of any Person to enforce this Agreement, any Ancillary Agreement or any agreements, arrangements, commitments or understandings that are specified in [Section 2.03\(b\)](#) not to terminate as of the Distribution Date, in each case in accordance with its terms. Nothing contained in [Section 5.01\(a\)](#) or [\(b\)](#) shall release any Person from:

(i) any Liability provided in or resulting from any agreement among any members of the OCWEN Group or the ALTISOURCE Group that is specified in [Section 2.03\(b\)](#) as not to terminate as of the Distribution Date, or any other Liability specified in such [Section 2.03\(b\)](#) as not to terminate as of the Distribution Date;

(ii) any Liability, contingent or otherwise, assumed, transferred, assigned or allocated to the Group of which such Person is a member in accordance with, or any other Liability of any member of any Group under, this Agreement or any Ancillary Agreement;

(iii) any Liability that the Parties may have with respect to indemnification or contribution pursuant to this Agreement for claims brought against the Parties or the members of their respective Groups or any of their respective Subsidiaries or Affiliates or any of the respective directors, officers, employees or agents of any of the foregoing by third Persons, which Liability shall be governed by the provisions of this [Article V](#) and, if applicable, the appropriate provisions of the Ancillary Agreements; or



(iv) any Liability the release of which would result in the release of any Person other than a Person released pursuant to this Section 5.01.

In addition, nothing contained in Section 5.01(a) shall release OCWEN from honoring its existing obligations to indemnify any director, officer or employee of ALTISOURCE or any of its Subsidiaries on or prior to the Distribution Date who was a director, officer or employee of OCWEN or any of its Subsidiaries on or prior to the Distribution Date, to the extent such director, officer or employee becomes a named defendant in any litigation involving OCWEN or any of its Subsidiaries and was entitled to such indemnification pursuant to then existing obligations.

(d) ALTISOURCE shall not make, and shall not permit any other member of the ALTISOURCE Group to make, any claim or demand, or commence any Action asserting any claim or demand, including any claim of contribution or any indemnification, against OCWEN or any other member of the OCWEN Group, or any other Person released pursuant to Section 5.01(a), with respect to any Liabilities released pursuant to Section 5.01(a). OCWEN shall not, and shall not permit any other member of the OCWEN Group, to make any claim or demand, or commence any Action asserting any claim or demand, including any claim of contribution or any indemnification against ALTISOURCE or any other member of the ALTISOURCE Group, or any other Person released pursuant to Section 5.01(b), with respect to any Liabilities released pursuant to Section 5.01(b).

(e) It is the intent of each of OCWEN and ALTISOURCE, by virtue of the provisions of this Section 5.01, to provide for a full and complete release and discharge of all Liabilities existing or arising from all acts and events occurring or failing to occur or alleged to have occurred or to have failed to occur and all conditions existing or alleged to have existed on or before the Distribution Date, between or among ALTISOURCE or any other member of the ALTISOURCE Group, on the one hand, and OCWEN or any other member of the OCWEN Group, on the other hand (including any contractual agreements or arrangements existing or alleged to exist between or among any such members on or before the Distribution Date), except as expressly set forth in Section 5.01(c). At any time, at the reasonable request of the other Party, each Party shall cause each member of its respective Group to execute and deliver releases reflecting the provisions hereof.

Section 5.02 Indemnification by ALTISOURCE. Except as provided in Section 5.05, ALTISOURCE shall indemnify, defend and hold harmless OCWEN, each other member of the OCWEN Group and each of their respective former and current directors, officers and employees, and each of the heirs, executors, successors and assigns of any of the foregoing (collectively, the "OCWEN Indemnitees"), from and against any and all Liabilities of the OCWEN Indemnitees relating to, arising out of or resulting from any of the following items (without duplication):

(a) the ALTISOURCE Business, including the failure of ALTISOURCE or any other member of the ALTISOURCE Group or any other Person to pay, perform or otherwise promptly discharge any Liability relating to or arising out of or resulting from the ALTISOURCE Business in accordance with its terms, whether prior to or after the Distribution Date or the date hereof; and

(b) any breach by ALTISOURCE or any other member of the ALTISOURCE Group of this Agreement or any of the Ancillary Agreements.

Section 5.03 Indemnification by OCWEN. Except as provided in Section 5.05, OCWEN shall indemnify, defend and hold harmless ALTISOURCE, each other member of the ALTISOURCE Group and each of their respective former and current directors, officers and employees, and each of the heirs, executors, successors and assigns of any of the foregoing (collectively, the "ALTISOURCE Indemnitees"), from and against any and all Liabilities of the ALTISOURCE Indemnitees relating to, arising out of or resulting from any of the following items (without duplication):

(a) the OCWEN Business, including the failure of OCWEN or any other member of the OCWEN Group or any other Person to pay, perform or otherwise promptly discharge any Liability relating to, arising out of or resulting from the OCWEN Business in accordance with its terms, whether prior to or after the Distribution Date or the date hereof; and

(b) any breach by OCWEN or any other member of the OCWEN Group of this Agreement or any of the Ancillary Agreements.

Section 5.04 Indemnification of Third Party Claims. Except as provided in Section 5.05 and subject to any contrary provision in any Ancillary Agreement, each Party shall indemnify, defend and hold harmless the other Party, each other member of such other Party's Group and each of their respective former and current directors, officers and employees, and each of the heirs, executors, successors and assigns of any of the foregoing (collectively, the "Transaction Indemnitees"), from and against any Liabilities of the Transaction Indemnitees relating to, arising out of or resulting from any Third Party Claim as to which such Transaction Indemnitees are entitled to indemnification under this Agreement, including any Third Party Claim relating to, arising out of or resulting from any untrue statement or alleged untrue statement of a material fact contained in any Specified Document or any omission or alleged omission to state a material fact in any Specified Document required to be stated therein or necessary to make the statements therein not misleading (any such Third Party Claim, a "Transaction Third Party Claim").

Section 5.05 Indemnification Obligations Net of Insurance Proceeds and Other Amounts. (a) The Parties intend that any Liability subject to indemnification or reimbursement pursuant to this Article V will be net of Insurance Proceeds that actually reduce the amount of, or are paid to the applicable Indemnitee in respect of, such Liability. Accordingly, the amount that either Party (an "Indemnifying Party") is required to pay to any Person entitled to indemnification hereunder (an "Indemnitee") will be reduced by any Insurance Proceeds theretofore actually recovered by or on behalf of the Indemnitee in respect of the related Liability. If an Indemnitee receives a payment (an "Indemnity Payment") required by this Agreement from an Indemnifying Party in respect of any Liability and subsequently receives Insurance Proceeds in respect of such Liability, then the Indemnitee will pay to the Indemnifying Party an amount equal to the excess of the Indemnity Payment received over the amount of the Indemnity Payment that would have been due if such Insurance Proceeds had been received, realized or recovered before the Indemnity Payment was made.

(b) An insurer that would otherwise be obligated to pay any claim shall not be relieved of the responsibility with respect thereto or have any subrogation rights with respect thereto by virtue of the indemnification provisions hereof, it being expressly understood and agreed that no insurer or any other third party shall be entitled to a “wind-fall” (i.e., a benefit they would not be entitled to receive in the absence of the indemnification provisions) by virtue of the indemnification provisions hereof. Nothing contained in this Agreement or any Ancillary Agreement shall obligate any member of any Group to seek to collect or recover any Insurance Proceeds.

Section 5.06 Procedures for Indemnification of Third Party Claims. (a) If an Indemnitee shall receive notice or otherwise learn of a Third Party Claim with respect to which an Indemnifying Party may be obligated to provide indemnification to such Indemnitee pursuant to Section 5.02, Section 5.03 or Section 5.04 or any other Section of this Agreement or any Ancillary Agreement, such Indemnitee shall give such Indemnifying Party written notice thereof within 10 days after becoming aware of such Third Party Claim. Any such notice shall describe the Third Party Claim in reasonable detail. Notwithstanding the foregoing, the failure of any Indemnitee or other Person to give notice as provided in this Section 5.06(a) shall not relieve the related Indemnifying Party of its obligations under this Article V, except to the extent that such Indemnifying Party is actually prejudiced by such failure to give notice.

(b) An Indemnifying Party may elect to defend, at such Indemnifying Party’s own expense (subject to the requirement to share expenses related to the defense of Transaction Third Party Claims pursuant to Section 5.04) and by such Indemnifying Party’s own counsel, any Third Party Claim. Within 20 days after the receipt of notice from an Indemnitee in accordance with Section 5.06(a) (or sooner, if the nature of such Third Party Claim so requires), the Indemnifying Party shall notify the Indemnitee of its election as to whether the Indemnifying Party will assume responsibility for defending such Third Party Claim. After notice from an Indemnifying Party to an Indemnitee of its election to assume the defense of a Third Party Claim, such Indemnitee shall have the right to employ separate counsel and to participate in (but not control) the defense, compromise, or settlement thereof, but (subject to Section 5.04) the fees and expenses of such counsel shall be the expense of such Indemnitee, except that the Indemnifying Party shall be liable for the fees and expenses of counsel employed by the Indemnitee for any period during which the Indemnifying Party has not assumed the defense of such Third Party Claim (other than during any period in which the Indemnitee shall have failed to give notice of the Third Party Claim in accordance with Section 5.06(a)).

(c) If an Indemnifying Party elects not to assume responsibility for defending a Third Party Claim, or fails to notify an Indemnitee of its election as provided in Section 5.06(b), such Indemnitee may defend such Third Party Claim at the cost and expense of the Indemnifying Party (subject to the requirement to share expenses related to the defense of Transaction Third Party Claims pursuant to Section 5.04).

(d) If an Indemnifying Party elects to assume the defense of a Third Party Claim in accordance with the terms of this Agreement, the Indemnitee shall agree to any settlement, compromise or discharge of such Third Party Claim that the Indemnifying Party may recommend and that by its terms obligates the Indemnifying Party to pay the full amount of the

liability in connection with such Third Party Claim and that releases the Indemnified Party completely in connection with such Third Party Claim.

(e) No Indemnifying Party shall consent to entry of any judgment or enter into any settlement of any Third Party Claim without the consent of the applicable Indemnitee or Indemnitees if the effect thereof is to permit any injunction, declaratory judgment, other order or other nonmonetary relief to be entered, directly or indirectly, against any Indemnitee.

(f) Whether or not the Indemnifying Party assumes the defense of a Third Party Claim, no Indemnitee shall admit any liability with respect to, or settle, compromise or discharge, such Third Party Claim without the Indemnifying Party's prior written consent.

(g) The provisions of Section 5.06 (other than this Section 5.06(g)) and Section 5.07 shall not apply to Taxes (which are covered by the Tax Matters Agreement).

Section 5.07 Additional Matters. (a) Any claim on account of a Liability that does not result from a Third Party Claim shall be asserted by written notice given by the Indemnitee to the related Indemnifying Party. Such Indemnifying Party shall have a period of 30 days after the receipt of such notice within which to respond thereto. If such Indemnifying Party does not respond within such 30-day period, such Indemnifying Party shall be deemed to have refused to accept responsibility to make payment. If such Indemnifying Party does not respond within such 30-day period or rejects such claim in whole or in part, such Indemnitee shall be free to pursue such remedies as may be available to such party as contemplated by this Agreement and the Ancillary Agreements.

(b) In the event of payment by or on behalf of any Indemnifying Party to any Indemnitee in connection with any Third Party Claim, such Indemnifying Party shall be subrogated to and shall stand in the place of such Indemnitee as to any events or circumstances in respect of which such Indemnitee may have any right, defense or claim relating to such Third Party Claim against any claimant or plaintiff asserting such Third Party Claim or against any other Person. Such Indemnitee shall cooperate with such Indemnifying Party in a reasonable manner, and at the cost and expense of such Indemnifying Party, in prosecuting any subrogated right, defense or claim.

(c) In the event of an Action in which the Indemnifying Party is not a named defendant, if either the Indemnitee or Indemnifying Party shall so request, the Parties shall endeavor to substitute the Indemnifying Party for the, or add the Indemnifying Party as an additional, named defendant, if at all practicable. If such substitution or addition cannot be achieved for any reason or is not requested, the named defendant shall allow the Indemnifying Party to manage the Action as set forth in this Section, and the Indemnifying Party shall fully indemnify the named defendant against all costs of defending the Action (including court costs, sanctions imposed by a court, attorneys' fees, experts' fees and all other external expenses), the costs of any judgment or settlement and the cost of any interest or penalties relating to any judgment or settlement.

Section 5.08 Remedies Cumulative. The remedies provided in this Article V shall be cumulative and, subject to the provisions of Article VIII, shall not preclude assertion by

any Indemnitee of any other rights or the seeking of any and all other remedies against any Indemnifying Party.

Section 5.09 Survival of Indemnities. The rights and obligations of each of OCWEN and ALTISOURCE and their respective Indemnitees under this Article V shall survive the sale or other transfer by any party of any assets or businesses or the assignment by it of any Liabilities.

Section 5.10 Limitation on Liability. Except as may expressly be set forth in this Agreement or any Ancillary Agreement, none of OCWEN, ALTISOURCE or any other member of either Group shall in any event have any Liability to the other or to any other member of the other's Group, or to any other OCWEN Indemnitee or ALTISOURCE Indemnitee, as applicable, for any incidental, indirect, special, punitive or consequential damages, whether or not caused by or resulting from negligence or breach of obligations hereunder or under any Ancillary Agreement and whether or not informed of the possibility of the existence of such damages, provided, however, that the provisions of this Section shall not limit an Indemnifying Party's indemnification obligations hereunder or in any Ancillary Agreement with respect to any Liability any Indemnitee may have to any third party not affiliated with any member of the OCWEN Group or the ALTISOURCE Group for any incidental, indirect, special, punitive or consequential damages.

#### ARTICLE VI

##### Exchange of Information; Confidentiality

Section 6.01 Agreement for Exchange of Information; Archives. (a) Each of OCWEN and ALTISOURCE, on behalf of its Group, agrees to provide, or cause to be provided, to the other Group, at any time before the Distribution Date or until the sixth anniversary thereof, as soon as reasonably practicable after written request therefor, any Information in the possession or under the control of such Group that the requesting Party reasonably needs (i) to comply with reporting, disclosure, filing or other requirements imposed on the requesting Party or any member of its Group (including under applicable securities or tax laws) by a Governmental Authority having jurisdiction over the requesting Party or such member, (ii) for use in any other judicial, regulatory, administrative, tax or other proceeding or in order to satisfy audit, accounting, claims, regulatory, litigation, tax or other similar requirements, in each case other than claims or allegations that one Party to this Agreement has against the other, or (iii) to comply with its obligations under this Agreement or any Ancillary Agreement; provided, however, that in the event that either Party determines that any such provision of Information could be commercially detrimental, violate any law or agreement or waive any attorney-client privilege, the Parties shall take all reasonable measures to permit the compliance with such obligations in a manner that avoids any such harm or consequence.

(b) After the Distribution Date, until the sixth anniversary thereof, each of OCWEN and ALTISOURCE shall have access during regular business hours (as in effect from time to time) to the documents that relate, in the case of OCWEN, to the OCWEN Business that are located in archives retained or maintained by ALTISOURCE or, in the case of ALTISOURCE, to the ALTISOURCE Business that are located in archives retained or

maintained by OCWEN. Each of OCWEN and ALTISOURCE may obtain copies (but not originals) of documents for bona fide business purposes and may obtain objects for exhibition purposes for commercially reasonable periods of time if required for bona fide business purposes, provided that the party receiving such objects shall cause any such objects to be returned promptly in the same condition in which they were delivered to such party and that each of OCWEN and ALTISOURCE shall comply with any rules, procedures or other requirements, and shall be subject to any restrictions (including prohibitions on removal of specified objects), that are then applicable to the other. Nothing herein shall be deemed to restrict the access of any member of the OCWEN Group or ALTISOURCE Group to any such documents or objects or to impose any liability on any member of the OCWEN Group or the ALTISOURCE Group, as applicable, if any such documents are not maintained or preserved by OCWEN or ALTISOURCE, as applicable.

(c) Until the sixth anniversary of the date hereof, each of OCWEN and ALTISOURCE (i) shall maintain in effect at its own cost and expense adequate systems and controls to the extent necessary to enable the members of the other Group to satisfy their respective reporting, accounting, audit and other obligations and (ii) shall provide, or cause to be provided, to the other Party in such form as such other Party shall reasonably request, at no charge to the requesting Party, all financial and other data and information as such requesting Party reasonably determines necessary or advisable in order to prepare its financial statements and reports or filings with any Governmental Authority.

Section 6.02 Ownership of Information. Any Information owned by one Group that is provided to a requesting Party pursuant to Section 6.01 shall be deemed to remain the property of the providing Party. Unless specifically set forth herein, nothing contained in this Agreement shall be construed as granting or conferring rights of license or otherwise in any such Information.

Section 6.03 Compensation for Providing Information. Except as set forth in Section 6.01(c), the Party requesting Information agrees to reimburse the other Party for the reasonable costs, if any, of creating, gathering and copying such Information, to the extent that such costs are incurred for the benefit of the requesting Party. Except as may be otherwise specifically provided elsewhere in this Agreement or in any other agreement between the Parties, such costs shall be computed in accordance with the providing Party's standard methodology and procedures.

Section 6.04 Limitations on Liability. Neither Party shall have any liability to the other Party in the event that any Information exchanged or provided pursuant to this Agreement that is an estimate or forecast, or that is based on an estimate or forecast, is found to be inaccurate in the absence of willful misconduct by the Party providing such Information. Neither Party shall have any liability to the other Party if any Information is destroyed after reasonable efforts by such Party to comply with the provisions of Section 6.01.

Section 6.05 Other Agreements Providing for Exchange of Information. The rights and obligations granted under this Article VI are subject to any specific limitations, qualifications or additional provisions on the sharing, exchange, retention or confidential treatment of Information set forth in any Ancillary Agreement.

Section 6.06 Production of Witnesses; Records; Cooperation. (a) After the Distribution Date, except in the case of an adversarial Action by one Party against the other Party, each Party shall use reasonable efforts to make available to the other Party, upon written request, the former, current and future directors, officers, employees, other personnel and agents of the members of its Group as witnesses and any books, records or other documents within its control or that it otherwise has the ability to make available, to the extent that any such person (giving consideration to business demands of such directors, officers, employees, other personnel and agents) or books, records or other documents may reasonably be required in connection with any Action in which the requesting Party may from time to time be involved, regardless of whether such Action is a matter with respect to which indemnification may be sought hereunder. The requesting Party shall, except as otherwise required by Article V, bear all costs and expenses in connection therewith.

(b) If an Indemnifying Party chooses to defend or to seek to compromise or settle any Third Party Claim, the other Party shall make available to such Indemnifying Party, upon written request, the former, current and future directors, officers, employees, other personnel and agents of the members of its Group as witnesses and any books, records or other documents within its control or that it otherwise has the ability to make available, to the extent that any such person (giving consideration to business demands of such directors, officers, employees, other personnel and agents) or books, records or other documents may reasonably be required in connection with such defense, compromise or settlement, and shall otherwise cooperate in such defense, compromise or settlement.

(c) Without limiting any provision of this Section, each of the Parties agrees to cooperate, and to cause each member of its Group to cooperate, with the other Party in the defense of any infringement or similar claim with respect to the Intellectual Property (as defined in the Intellectual Property Agreement), including any claim of infringement of any mark using the word "Ocwen," "Altisource" or any derivation thereof and shall not acknowledge, or permit any member of its Group to acknowledge, the validity or infringing use of any intellectual property of a third Person in a manner that would hamper or undermine the defense of such infringement or similar claim.

(d) The obligation of the Parties to provide witnesses pursuant to this Section 6.06 is intended to be interpreted to facilitate cooperation and shall include the obligation to provide as witnesses inventors and other officers without regard to whether the witness or the employer of the witness could assert a possible business conflict (subject to the exception set forth in the first sentence of Section 6.06(a)).

(e) In connection with any matter contemplated by this Section 6.06, the Parties will enter into a mutually acceptable joint defense agreement so as to maintain to the extent practicable any applicable attorney-client privilege or work product immunity of any member of either Group.

Section 6.07 Confidentiality. (a) Subject to Section 6.08, each of OCWEN and ALTISOURCE, on behalf of itself and each other member of its Group, agrees to hold, and to cause its directors, officers, employees, agents, accountants, counsel and other advisors and representatives to hold, in strict confidence, with at least the same degree of care that applies to

confidential and proprietary information of OCWEN pursuant to policies in effect as of the Distribution Date, all Information concerning the other Group that is either in its possession (including Information in its possession prior to the Distribution Date) or furnished by the other Group or its directors, officers, employees, agents, accountants, counsel and other advisors and representatives at any time pursuant to this Agreement, any Ancillary Agreement or otherwise, and shall not use any such Information other than for such purposes as shall be expressly permitted hereunder or thereunder, except, in each case, to the extent that such Information has been (i) in the public domain through no fault of such Party or any other member of such Group or any of their respective directors, officers, employees, agents, accountants, counsel and other advisors and representatives, (ii) later lawfully acquired from other sources by such Party (or any other member of such Party's Group), which sources are not known by such Party to be themselves bound by a confidentiality obligation, or (iii) independently generated without reference to any proprietary or confidential Information of any member of the other Group.

(b) Each Party agrees not to release or disclose, or permit to be released or disclosed, any such Information (excluding Information described in clauses (i), (ii) and (iii) of Section 6.07(a)) to any other Person, except its directors, officers, employees, agents, accountants, counsel and other advisors and representatives who need to know such Information (who shall be advised of their obligations hereunder with respect to such Information), except in compliance with Section 6.08. Without limiting the foregoing, when any Information is no longer needed for the purposes contemplated by this Agreement or any Ancillary Agreement, each Party will promptly, after request of the other Party, either return the Information to the other Party in a tangible form (including all copies thereof and all notes, extracts or summaries based thereon) or certify to the other Party that any Information not returned in a tangible form (including any such Information that exists in an electronic form) has been destroyed (and such copies thereof and such notes, extracts or summaries based thereon).

Section 6.08 Protective Arrangements. In the event that either Party or any other member of its Group either determines on the advice of its counsel that it is required to disclose any Information pursuant to applicable law or receives any demand under lawful process or from any Governmental Authority to disclose or provide Information of the other Party (or any other member of the other Party's Group) that is subject to the confidentiality provisions hereof, such Party shall, to the extent permitted by law, notify the other Party as soon as practicable prior to disclosing or providing such Information and shall cooperate, at the expense of the requesting Party, in seeking any reasonable protective arrangements requested by such other Party. Subject to the foregoing, the Person that received such request may thereafter disclose or provide Information to the extent required by such law (as so advised by counsel) or by lawful process or such Governmental Authority.

## ARTICLE VII

### Dispute Resolution

Section 7.01 Disputes. Subject to Section 10.12 and except as otherwise specifically provided in any Ancillary Agreement, the procedures for discussion, negotiation and mediation set forth in this Article VII shall apply to all disputes, controversies or claims (whether arising in contract, tort or otherwise) that may arise out of or relate to, or arise under or in



connection with, this Agreement or any Ancillary Agreement, or the transactions contemplated hereby or thereby (including all actions taken in furtherance of the transactions contemplated hereby or thereby on or prior to the date hereof), or the commercial or economic relationship of the parties relating hereto or thereto, between or among any members of the OCWEN Group, on the one hand, and any members of the ALTISOURCE Group, on the other hand.

Section 7.02 Escalation; Mediation. (a) It is the intent of the Parties to use reasonable efforts to resolve expeditiously any dispute, controversy or claim between or among them with respect to the matters covered hereby that may arise from time to time on a mutually acceptable negotiated basis. In furtherance of the foregoing, a Party involved in a dispute, controversy or claim may deliver a notice (an "Escalation Notice") demanding an in-person meeting involving representatives of the Parties at a senior level of management (or if the Parties agree, of the appropriate strategic business unit or division within such entity). A copy of any such Escalation Notice shall be given to the General Counsel, or like officer or official, of the Party involved in the dispute, controversy or claim (which copy shall state that it is an Escalation Notice pursuant to this Agreement). Any agenda, location or procedures for such discussions or negotiations between the Parties may be established by the Parties from time to time; provided, however, that the Parties shall use reasonable efforts to meet within 30 days of the Escalation Notice.

(b) If the Parties are not able to resolve the dispute, controversy or claim through the escalation process referred to above, then the matter shall be referred to mediation. The Parties shall retain a mediator to aid the Parties in their discussions and negotiations by informally providing advice to the Parties. Any opinion expressed by the mediator shall be strictly advisory and shall not be binding on the Parties or be admissible in any other proceeding. The mediator may be chosen from a list of mediators previously selected by the Parties or by other agreement of the Parties. Costs of the mediation shall be borne equally by the Parties involved in the matter, except that each Party shall be responsible for its own expenses. Mediation shall be a prerequisite to the commencement of any Action by either Party against the other Party.

(c) In the event that any resolution of any dispute, controversy or claim pursuant to the procedures set forth in Section 7.02(a) or (b), in any way affects an agreement or arrangement between either of the Parties and a third party insurance carrier, the consent of such third party insurance carrier to such resolution, to the extent such consent is required, shall be obtained before such resolution can take effect.

Section 7.03 Court Actions. (a) In the event that either Party, after complying with the provisions set forth in Section 7.02, desires to commence an Action, such Party may submit the dispute, controversy or claim (or such series of related disputes, controversies or claims) to any court of competent jurisdiction.

(b) Unless otherwise agreed in writing, the Parties will continue to provide service and honor all other commitments under this Agreement and each Ancillary Agreement during the course of dispute resolution pursuant to the provisions of this Article VII with respect to all matters not subject to such dispute, controversy or claim.

ARTICLE VIII

Further Assurances and Additional Covenants

Section 8.01 Further Assurances. (a) In addition to the actions specifically provided for elsewhere in this Agreement, each of the Parties shall, subject to Section 3.02 and Section 4.02, use reasonable efforts, prior to, on and after the Distribution Date, to take, or cause to be taken, all actions, and to do, or cause to be done, all things, reasonably necessary, proper or advisable under applicable laws, regulations and agreements to consummate and make effective the transactions contemplated by this Agreement and the Ancillary Agreements.

(b) Without limiting the foregoing, prior to, on and after the Distribution Date, each Party shall cooperate with the other Party, without any further consideration, but at the expense of the requesting Party, (i) to execute and deliver, or use reasonable efforts to execute and deliver, or cause to be executed and delivered, all instruments, including any bills of sale, stock powers, certificates of title, assignments of contracts and other instruments of conveyance, assignment and transfer as such Party may reasonably be requested to execute and deliver by the other Party, (ii) to make, or cause to be made, all filings with, and to obtain, or cause to be obtained, all consents, approvals or authorizations of, any Governmental Authority or any other Person under any permit, license, agreement, indenture or other instrument, (iii) to obtain, or cause to be obtained, any Governmental Approvals or other Consents required to effect the Separation or the Distribution and (iv) to take, or cause to be taken, all such other actions as such Party may reasonably be requested to take by the other Party from time to time, consistent with the terms of this Agreement and the Ancillary Agreements, in order to effect the provisions and purposes of this Agreement and the Ancillary Agreements and any transfers of Assets or assignments and assumptions of Liabilities hereunder or thereunder and the other transactions contemplated hereby and thereby.

(c) On or prior to the Distribution Date, OCWEN and ALTISOURCE, in their respective capacities as direct and indirect shareholders of their respective Subsidiaries, shall each ratify any actions that are reasonably necessary or desirable to be taken by ALTISOURCE or any other Subsidiary of OCWEN, as the case may be, to effect the transactions contemplated by this Agreement.

(d) The Parties agree to take any reasonable actions necessary in order for the Distribution, the Separation and any other transaction contemplated by this Agreement or any Ancillary Agreement that is intended by the Parties to be tax-free to qualify as a tax-free transaction pursuant to Sections 355, 361(a) and 368(a)(1)(D) of the Code.

(e) Prior to the Distribution Date, if either Party identifies any commercial or other service that is needed to assure a smooth and orderly transition of its business in connection with the consummation of the transactions contemplated hereby, and that is not otherwise governed by the provisions of this Agreement or any Ancillary Agreement, the Parties will cooperate in determining whether there is a mutually acceptable arm's-length basis on which the other Party will provide such service.

Section 8.02 Insurance Matters. (a) OCWEN and ALTISOURCE agree to cooperate in good faith to provide for an orderly transition of insurance coverage from the date hereof through the Distribution Date and for the treatment of any Insurance Policies that will remain in effect following the Distribution Date on a mutually agreeable basis. In no event shall OCWEN, any other member of the OCWEN Group or any OCWEN Indemnitee have liability or obligation whatsoever to any member of the ALTISOURCE Group or any ALTISOURCE Indemnitee in the event that any Insurance Policy or other contract or policy of insurance shall be terminated or otherwise cease to be in effect for any reason, shall be unavailable or inadequate to cover any Liability of any member of the ALTISOURCE Group or any ALTISOURCE Indemnitee for any reason whatsoever or shall not be renewed or extended beyond the current expiration date.

#### ARTICLE IX

##### Termination

Section 9.01 Termination. This Agreement may be terminated by OCWEN at any time, in its sole discretion, prior to the Distribution Date.

Section 9.02 Effect of Termination. In the event of any termination of this Agreement prior to the Distribution Date, neither Party (or any of its directors or officers) shall have any Liability or further obligation to the other Party.

#### ARTICLE X

##### Miscellaneous

Section 10.01 Counterparts; Entire Agreement; Corporate Power. (a) This Agreement and each Ancillary Agreement may be executed in one or more counterparts, including by facsimile or by e-mail delivery of a “.pdf” format data file, all of which shall be considered one and the same agreement, and shall become effective when one or more counterparts have been signed by each party hereto or thereto and delivered to the other parties hereto or thereto.

(b) This Agreement, the Ancillary Agreements and the exhibits, schedules and appendices hereto and thereto contain the entire agreement between the Parties with respect to the subject matter hereof, supersede all previous agreements, negotiations, discussions, writings, understandings, commitments and conversations with respect to such subject matter and there are no agreements or understandings between the Parties with respect to the subject matter hereof other than those set forth or referred to herein or therein.

(c) OCWEN represents on behalf of itself and each other member of the OCWEN Group, and ALTISOURCE represents on behalf of itself and each other member of the ALTISOURCE Group, as follows:

- (i) each such Person has the requisite corporate or other power and authority and has taken all corporate or other action necessary in order to execute, deliver

and perform each of this Agreement and each Ancillary Agreement to which it is a party and to consummate the transactions contemplated hereby and thereby; and

(ii) this Agreement and each Ancillary Agreement to which it is a party has been (or, in the case of any Ancillary Agreement, will be on or prior to the Distribution Date) duly executed and delivered by it and constitutes, or will constitute, a valid and binding agreement of it enforceable in accordance with the terms thereof.

Section 10.02 Governing Law. This Agreement and, unless expressly provided therein, each Ancillary Agreement, shall be governed by and construed and interpreted in accordance with the internal laws of the State of New York applicable to contracts made and to be performed wholly in such State and irrespective of the choice of law principles of the State of New York, as to all matters (other than with respect to the corporate action of the OCWEN board of directors attendant to the declaration and payment of the dividend of the ALTISOURCE Common Stock, which shall be governed by the law of the State of Florida.)

Section 10.03 Assignability. Except as set forth in any Ancillary Agreement, this Agreement and each Ancillary Agreement shall be binding upon and inure to the benefit of the parties hereto and thereto and their respective successors and permitted assigns; provided, however, that no party hereto or thereto may assign its rights or delegate its obligations under this Agreement or any Ancillary Agreement without the express prior written consent of the other parties hereto or thereto.

Section 10.04 Third Party Beneficiaries. Except for the indemnification rights under this Agreement of any OCWEN Indemnitee or ALTISOURCE Indemnitee in their respective capacities as such, (a) the provisions of this Agreement and each Ancillary Agreement are solely for the benefit of the parties hereto or thereto and are not intended to confer upon any Person except the parties hereto or thereto any rights or remedies hereunder or thereunder and (b) there are no third party beneficiaries of this Agreement or any Ancillary Agreement and neither this Agreement nor any Ancillary Agreement shall provide any third person with any remedy, claim, liability, reimbursement, cause of action or other right in excess of those existing without reference to this Agreement or any Ancillary Agreement.

Section 10.05 Notices. All notices or other communications under this Agreement or any Ancillary Agreement shall be in writing and shall be deemed to be duly given when (a) delivered in person, (b) sent by telecopier (except that, if not sent during normal business hours for the recipient, then at the opening of business on the next business day for the recipient) to the fax numbers set forth below or (c) deposited in the United States mail or private express mail, postage prepaid, addressed as follows:

If to OCWEN, to:

Ocwen Financial Corporation  
1661 Worthington Road, Suite 100  
West Palm Beach, Florida 33409  
Attn: Corporate Secretary  
Fax No.: (561) 471-4264

If to ALTISOURCE to:

Altisource Portfolio Solutions S.A.  
2-8 Avenue Charles De Gaulle  
L-1653 Luxembourg  
Attn: Corporate Secretary  
Fax No.: [            ]

Either Party may, by notice to the other Party, change the address to which such notices are to be given.

Section 10.06 Severability. If any provision of this Agreement or any Ancillary Agreement or the application thereof to any Person or circumstance is determined by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions hereof or thereof, or the application of such provision to Persons or circumstances or in jurisdictions other than those as to which it has been held invalid or unenforceable, shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby, so long as the economic or legal substance of the transactions contemplated hereby or thereby, as the case may be, is not affected in any manner materially adverse to either Party. Upon any such determination, the Parties shall negotiate in good faith in an effort to agree upon a suitable and equitable provision to effect the original intent of the Parties.

Section 10.07 Publicity. Prior to the Distribution, each of ALTISOURCE and OCWEN shall consult with each other prior to issuing any press releases or otherwise making public statements with respect to the Distribution or any of the other transactions contemplated hereby and prior to making any filings with any Governmental Authority with respect thereto.

Section 10.08 Expenses. Except as expressly set forth in this Agreement or in any Ancillary Agreement, all third party fees, costs and expenses paid or incurred in connection with the Separation and the Distribution will be paid by OCWEN.

Section 10.09 Headings. The article, section and paragraph headings contained in this Agreement and in the Ancillary Agreements are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement or any Ancillary Agreement.

Section 10.10 Survival of Covenants. Except as expressly set forth in this Agreement or any Ancillary Agreement, (a) the covenants in this Agreement and the liabilities for the breach of any obligations in this Agreement and (b) any covenants, representations or warranties contained in any Ancillary Agreement and any liabilities for the breach of any

obligations contained in any Ancillary Agreement, in each case, shall survive each of the Separation and the Distribution and shall remain in full force and effect.

Section 10.11 Waivers of Default. Waiver by any party hereto or to any Ancillary Agreement of any default by any other party hereto or thereto of any provision of this Agreement or such Ancillary Agreement shall not be deemed a waiver by the waiving party of any subsequent or other default.

Section 10.12 Specific Performance. Subject to Section 4.02 and notwithstanding the procedures set forth in Article VII, in the event of any actual or threatened default in, or breach of, any of the terms, conditions and provisions of this Agreement or any Ancillary Agreement, the party or parties who are to be hereby or thereby aggrieved shall have the right to specific performance and injunctive or other equitable relief of its rights under this Agreement or such Ancillary Agreement, in addition to any and all other rights and remedies at law or in equity, and all such rights and remedies shall be cumulative. The other party or parties shall not oppose the granting of such relief. The parties to this Agreement and any Ancillary Agreement agree that the remedies at law for any breach or threatened breach hereof or thereof, including monetary damages, are inadequate compensation for any loss and that any defense in any action for specific performance that a remedy at law would be adequate is waived. Any requirements for the securing or posting of any bond with such remedy are waived.

Section 10.13 Amendments. No provisions of this Agreement or any Ancillary Agreement shall be deemed waived, amended, supplemented or modified by any party hereto or thereto, unless such waiver, amendment, supplement or modification is in writing and signed by the authorized representative of the party against whom it is sought to enforce such waiver, amendment, supplement or modification.

Section 10.14 Interpretation. Words in the singular shall be held to include the plural and vice versa and words of one gender shall be held to include the other genders as the context requires. The terms "hereof," "herein," "and" "herewith" and words of similar import, unless otherwise stated, shall be construed to refer to this Agreement or the applicable Ancillary Agreement as a whole (including all of the schedules, exhibits and appendices hereto or thereto) and not to any particular provision of this Agreement or such Ancillary Agreement. Article, Section, Exhibit, Schedule and Appendix references are to the articles, sections, exhibits, schedules and appendices of or to this Agreement or the applicable Ancillary Agreement unless otherwise specified. Any reference herein to this Agreement or any Ancillary Agreement, unless otherwise stated, shall be construed to refer to this Agreement or such Ancillary Agreement as amended, supplemented or otherwise modified from time to time, as permitted by Section 10.14 and the terms of any applicable provision in any Ancillary Agreement. The word "including" and words of similar import when used in this Agreement (or the applicable Ancillary Agreement) shall mean "including, without limitation," unless the context otherwise requires or unless otherwise specified. The word "or" shall not be exclusive. There shall be no presumption of interpreting this Agreement or any provision hereof against the draftsman of this Agreement or any such provision.

Section 10.15 Jurisdiction; Service of Process. Any action or proceeding arising out of or relating to this Agreement or any Ancillary Agreement shall be brought in the courts of

the State of New York located in the County of New York or in the United States District Court for the Southern District of New York (if any party to such action or proceeding has or can acquire jurisdiction), and each of the parties hereto or thereto irrevocably submits to the exclusive jurisdiction of each such court in any such action or proceeding, waives any objection it may now or hereafter have to venue or to convenience of forum, agrees that all claims in respect of the action or proceeding shall be heard and determined only in any such court and agrees not to bring any action or proceeding arising out of or relating to this Agreement or any Ancillary Agreement in any other court. The parties to this Agreement or any Ancillary Agreement agree that any of them may file a copy of this paragraph with any court as written evidence of the knowing, voluntary and bargained agreement between the parties hereto and thereto irrevocably to waive any objections to venue or to convenience of forum. Process in any action or proceeding referred to in the first sentence of this Section may be served on any party to this Agreement or any Ancillary Agreement anywhere in the world.

Section 10.16 Waiver of Jury Trial. EACH PARTY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY, WAIVES (TO THE EXTENT PERMITTED BY APPLICABLE LAW) ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY OF ANY DISPUTE ARISING UNDER OR RELATING TO THIS AGREEMENT AND AGREES THAT ANY SUCH DISPUTE SHALL BE TRIED BEFORE A JUDGE SITTING WITHOUT A JURY.

\* \* \* \* \*

IN WITNESS WHEREOF, the Parties have caused this Separation Agreement to be executed as of the date first written above by their duly authorized representatives.

OCWEN FINANCIAL CORPORATION

By \_\_\_\_\_  
Name:  
Title:

ALTISOURCE PORTFOLIO SOLUTIONS S.A.

By \_\_\_\_\_  
Name:  
Title:



**Schedule I**  
**Separation Transactions**

1. NCI Holdings, Inc. will change its name to Altisource US Holdings, Inc. ("Altisource US Holdings") and form a new, wholly-owned Delaware corporation named Altisource Solutions, Inc. ("Altisource Solutions").
2. Altisource US Holdings forms a new, wholly-owned Georgia corporation named Altisource US Data, Inc. ("Altisource US Data").
3. Altisource US Holdings forms one or more new, wholly-owned corporations (under the jurisdictions required for licensing reasons) named [Altisource US Broker/Trustee Corp.] ("Altisource US Broker/Trust").
4. Ocwen Fulfillment Operations LLC ("Ocwen Fulfillment") changes its name to Altisource Fulfillment Operations LLC ("Altisource Fulfillment") and Ocwen Asset Investment Corp. ("Ocwen Asset Invest Co.") dividends cash in an amount equal to (or otherwise required to achieve based on otherwise-available cash on hand) the fair value purchase price of Altisource Fulfillment (the "Fulfillment Purchase Amount") to Investors Mortgage Insurance Holding Company ("Investors Mortgage Co.").
5. Investors Mortgage Co. dividends the Fulfillment Purchase Amount to Ocwen.
6. Ocwen contributes the Fulfillment Purchase Amount to Altisource US Holdings.
7. Altisource US Holdings purchases Altisource Fulfillment by paying the Fulfillment Purchase Amount to Ocwen Asset Invest Co. in exchange for its equity interest in Altisource Fulfillment.
8. Ocwen contributes its equity interests in (i) Premium Title Services, Inc. ("Premium Title") and (ii) REALHome Services and Solutions, Inc. ("REALHome") to Altisource US Holdings.
9. RMSI, Inc. ("RMSI") dividends cash in an amount equal to (or otherwise required to achieve based on otherwise-available cash on hand) the fair value purchase price of Portfolio Management Outsourcing Solutions, LLC ("Portfolio Mgt") (the "Portfolio Purchase Amount") to Ocwen.
10. Ocwen purchases Portfolio Mgt by paying the Portfolio Purchase Amount to RMSI in exchange for its equity interest in Portfolio Mgt.
11. Ocwen Loan Servicing, LLC ("Ocwen Loan Svc") dividends cash in an amount equal to (or otherwise required to achieve based on otherwise-available cash on hand) the fair value purchase price of the assets of the Ocwen Recovery Group (the "Recovery Purchase Amount") to Ocwen.
12. Ocwen contributes the Recovery Purchase Amount to Altisource US Holdings.

13. Altisource US Holdings contributes the Recovery Purchase Amount to Nationwide Credit, Inc. ("Nationwide").
14. Nationwide purchases the Ocwen Recovery Group assets by paying the Recovery Purchase Amount to Ocwen Loan Srvc in exchange for the assets of the Ocwen Recovery Group.
15. Ocwen forms a new, wholly-owned Delaware limited liability company named Altisource Holdings, LLC ("Altisource Holdings") and contributes an amount of cash equal to not less than 00.01% of the fair value purchase price of Ocwen Outsourcing Solutions (100% of such fair value purchase price being the "Solutions Purchase Amount").
16. Ocwen Capital Management, LLC ("Ocwen Capital Mgt") and Ocwen Loan Srvc form Altisource Outsourcing Solutions S.R.L. ("Altisource Outsourcing Solutions"), with Ocwen Capital Mgt owning a 99.99% interest and Ocwen Loan Srvc owning a 0.01% interest.
17. Ocwen Capital Mgt dividends cash in an amount equal to (or otherwise required to achieve based on otherwise-available cash on hand) 99.99% of the Solutions Purchase Amount to Ocwen.
18. Altisource Holdings purchases 0.01% of the equity interest in Altisource Outsourcing Solutions by paying 0.01% of the Solutions Purchase Amount to Ocwen Loan Srvc.
19. Ocwen purchases 99.99% of the equity interest in Altisource Outsourcing Solutions by paying 99.99% of the Solutions Purchase Amount to Ocwen Capital Mgt.
20. Altisource Portfolio Solutions S.à r.l. (formerly Ocwen Luxembourg S.à r.l.) converts to a Société Anonyme ("Altisource").
21. Ocwen Business Solutions Private Limited changes its name to Altisource Business Solutions Private Limited ("ABSPL") and the Altisource Solutions business of Ocwen Financial Solutions Private Limited ("OFSPL") is demerged into ABSPL.
22. ABSPL issues shares to Ocwen Asia Holdings Ltd. (the shareholder of OFSPL) as consideration for the demerger.
23. Altisource forms Altisource Solutions S.à r.l., a Luxembourg company ("Altisource Solutions").
24. Altisource Solutions forms Altisource Asia Holdings Ltd., a Mauritius company ("Altisource Asia Holdings").
25. Altisource purchases ABSPL for fair value (the "ABSPL Purchase Amount") from Ocwen Asia Holdings.
26. Ocwen Asia Holdings distributes the ABSPL Purchase Amount to Altisource.

27. Altisource contributes ABSPL to Altisource Solutions.
28. Altisource Solutions contributes ABSPL to Altisource Asia Holdings.
29. Ocwen transfers intellectual property of the Altisource Solutions business to Altisource Solutions in exchange for shares in Altisource Solutions.
30. Ocwen contributes its shares in Altisource Solutions to Altisource in exchange for shares in Altisource.
31. Ocwen purchases Ocwen Asia Holdings for fair value (the "Ocwen Asia Holdings Purchase Amount") from Altisource.
32. Altisource distributes the Ocwen Asia Holdings Purchase Amount to Ocwen.
33. Ocwen forms Ocwen Luxembourg S.à r.l. II, a Luxembourg company ("Ocwen Lux II"), and contributes Ocwen Asia Holdings to Ocwen Lux II.
34. Ocwen contributes to Altisource its equity interests in (i) Altisource US Holdings, (ii) Western Progressive Trustee, LLC ("Western Progressive"), (iii) Portfolio Mgt, (iv) Altisource Outsourcing Solutions (its 99.99% interest) and (v) Altisource Holdings in exchange for additional shares of Altisource.
35. Altisource contributes to Altisource Solutions its equity interests in (i) Altisource US Holdings, (ii) Western Progressive, (iii) Portfolio Mgt, (iv) Altisource Outsourcing Solutions (its 99.99% interest) and (v) Altisource Holdings in exchange for additional shares of Altisource Solutions.

**« Altisource Portfolio Solutions S.A. »**  
*Société anonyme*  
Share capital: USD 9,341,907-  
Registered office: 2-8 avenue Charles de Gaulle, L-1653 Luxembourg  
Grand Duchy of Luxembourg  
R.C.S. Luxembourg: B 72 391

**CHAPTER I. FORM, CORPORATE NAME, REGISTERED OFFICE, OBJECT, DURATION**

**Article 1. Form, Corporate Name**

There is established among the subscriber(s) and all those who may become owners of the shares hereafter issued, a company in the form of a public limited liability company (*société anonyme*) (the “**Company**”) which will be governed by the laws of the Grand Duchy of Luxembourg, in particular the law of 10 August 1915 on commercial companies, as amended (the “**Law**”), article 1832 of the Civil Code, as amended and by the present articles of incorporation (the “**Articles**”).

The Company will exist under the name of “**Altisource Portfolio Solutions S.A.**”

**Article 2. Registered Office**

The Company has its registered office in the City of Luxembourg. The Director or, as the case may be, the Board of Directors is authorised to change the address of the Company’s registered office inside the above stated municipality.

Branches or other offices may be established either in the Grand Duchy of Luxembourg or abroad by resolution of the Director or, as the case may be, the Board of Directors.

In the event that in the view of the Director or, as the case may be, the Board of Directors, extraordinary political, economic or social developments occur or are imminent that would interfere with the normal activities of the Company at its registered office or with the ease of communications with such office or between such office and persons abroad, it may temporarily transfer the registered office abroad, until the complete cessation of these abnormal circumstances. Such temporary measures will have no effect on the nationality of the Company, which notwithstanding the temporary transfer of the registered office, will remain a company governed by the laws of the Grand Duchy of Luxembourg. Such temporary measures will be taken and notified to any interested parties by one of the bodies or persons entrusted with the daily management of the Company.

---

### **Article 3. Corporate Object**

The object of the Company is the acquisition, the continuing management and the sale of participations, in any form whatsoever, in Luxembourg and/or in foreign undertakings, in particular in the areas of outsourcings, customer relationship management and technology services in the real estate, mortgage and consumer finance industries. The Company may also hold, manage and exploit intellectual property rights and render services to other group companies and third parties, notably in the area of outsourcings.

The Company may invest in and acquire, dispose of, grant or retain, loans, bonds and other debt instruments, shares, warrants and other equity instruments or rights, including, but not limited to, shares of capital stock, limited partnership interests, limited liability company interests, notes, debentures, preferred stock, convertible securities and swaps, and any combination of the foregoing, in each case whether readily marketable or not, and obligations (including but not limited to synthetic securities obligations) in any type of company, entity or other legal person; engage in such other activities as the Company deems necessary, advisable, convenient, incidental to, or not inconsistent with, the foregoing; and grant pledges, guarantees and contracts of indemnity, of any kind, to Luxembourg or foreign entities in respect of its own or any other person's obligations and debts.

The Company may also acquire, hold, manage and sell any movable or immovable assets of any kind or form. In a general fashion the Company may carry out any commercial, industrial or financial operation which it may deem useful in the accomplishment and development of its object.

The Company may also provide any financial assistance to the undertakings in which the Company has a participating interest or which form a part of the group of companies to which the Company belongs, including, among others, the granting of loans and the providing of guarantees or securities in any kind of form. The Company may pledge, transfer, encumber or otherwise create security over some or all of its assets.

In addition, the Company may render on an occasional basis assistance in any form (including but not limited to advances, loans, credits, guarantees or granting of security) to third parties other than the group of companies to which the Company belongs, subject to the condition that such assistance falls within the Company's best interest and subject to the condition that such assistance would not trigger any license requirements.

The Company may participate in the creation, development, management and control of any company or enterprise, either directly or indirectly, which have similar objects or whose objects are closely related to its own.

In a general fashion, the Company may carry out any commercial, industrial or financial operation and engage in such other activities as the Company deems necessary, advisable, convenient, incidental to, or not inconsistent with, the accomplishment and development of the foregoing.

---

#### **Article 4. Duration**

The Company is formed for an unlimited duration.

#### **CHAPTER II. SHARE CAPITAL, SHARES**

##### **Article 5. Share Capital**

The subscribed share capital of the Company is set at nine million three hundred forty-one thousand nine hundred seven United States Dollars (USD 9,341,907.-) divided into nine million three hundred forty-one thousand nine hundred seven (9,341,907) registered shares with a par value of one US Dollar (USD 1.00) each.

The authorised share capital is set at one hundred million United States Dollars (USD 100,000,000.-) divided into one hundred million (100,000,000.-) registered shares with a par value of one US Dollar (USD 1.00) each with the same rights attached as the existing shares.

The Director or, as the case may be, the Board of Directors, is authorised, during a period ending five years after the date of publication of this delegation of powers or the renewal of such delegation in the Luxembourg Official Gazette (*Mémorial C, Recueil des Sociétés et Associations*) to:

- realize any increase of the subscribed share capital within the limits of the authorised share capital in one or several times, by the issuing of new shares, against payment in cash or in kind, by conversion of claims, by the increase of the par value of existing shares or in any other manner;
- determine the terms and conditions of any such increase and, more specifically, but not limited to, the place and date of the issue or the successive issues, the issue price, the amount of new shares to be issued, whether the new shares are to be issued and subscribed ,with or without an issue premium and the terms and conditions of the subscription of and paying up of the new shares (in cash or in kind);
- limit or waive the preferential subscription right reserved to the then existing shareholder(s) in case of issue of shares against payment in cash.

After each increase of the subscribed share capital according to the above, the present Articles shall be amended to reflect such increase.

In addition to the share capital, a premium account may be established into which any premium paid on any share in addition to its par value is transferred. The amount of the premium account may be used to provide for the payment of any shares, which the Company may redeem on a pro rata basis from its shareholders, to offset any net realised losses, to make distributions to the shareholders or to allocate funds to the legal reserve.

##### **Article 6. Shares**

The shares will take the form of registered shares. The shareholders shall not have the right to ask for the conversion of shares into bearer shares.

---

A shareholders' register will be kept at the registered office where it will be available for inspection by any shareholder. This register shall contain all of the information required by Article 39 of the Law.

Each shareholder will notify the Company of its address and any change thereto by registered letter. The Company will be entitled to rely on the last address thus communicated.

Any person who acquires or disposes of shares in the Company's share capital must notify the Company's Board of Directors of the proportion of shares held by the relevant person as a result of the acquisition or disposal, where that proportion reaches, exceeds or falls below a threshold of 5%.

Ownership of shares will result from the recordings in the said register.

Transfers of shares will be carried out by a declaration of transfer recorded in shareholders' register, dated and signed by the transferor and the transferee or by their representative(s). Transfers of shares may also be carried out in accordance with the rules on the transfer of claims under article 1690 of the Luxembourg Civil Code. Furthermore, the Company may accept and record in the shareholders' register any transfer referred to in correspondence or other any document showing the consent of the transferor and the transferee.

Any transfer of shares shall be entered into the register of shareholders, such inscription shall be signed by the Director or, as the case may be, two members of the Board of Directors of the Company or by one or more other persons duly authorized thereto by the Board of Directors.

Holders of shares may request the Company to issue and deliver certificates signed by the Director or, as the case may be, two Directors, setting out their respective holdings of shares. Such certificate shall not constitute evidence of ownership.

No share shall be pledged or mortgaged with any charge without the approval of the Director or, as the case may be, the Board of Directors.

Each share is indivisible as far as the Company is concerned.

Co-owners of shares must be represented towards the Company by a common attorney-in-fact, whether appointed amongst them or not.

The Company has the right to suspend the exercise of all rights attached to that share until one person has been designated as the sole owner towards the Company.

#### **Article 7. Payment of Shares**

Payments on shares not fully paid up at the time of subscription may be made at the time and upon conditions which the Director, or as the case may be, the Board of Directors, shall from time to time determine subject to the Law. Any amount called up on shares will be charged equally on all outstanding shares which are not fully paid up.

---

#### **Article 8. Increase and Reduction of the Share Capital**

The subscribed share capital of the Company may be increased or reduced once or several times by a resolution of the sole shareholder or, as the case may be, by the general meeting of shareholders voting with the quorum and majority rules set out under these Articles or, as the case may be, by the Law for any amendment of these Articles.

The new shares to be subscribed for by contribution in cash will be offered in preference to the existing shareholders in proportion to the part of the capital held by these shareholders. The Director, or as the case may be, the Board of Directors shall determine the period within which the preferred subscription right may be exercised. This period may not be less than thirty days.

Notwithstanding the above, the sole shareholder or, as the case may be, the general meeting, voting with the quorum and majority rules required for any amendment of the Articles, may limit or withdraw the preferential subscription right or authorise the Director or, as the case may be, the Board of Directors to do so in the case of an increase of capital within the authorised capital.

Preferred subscription right may also be waived individually by the shareholders, or by the general meeting, voting with the same conditions of quorum and majority as for amendments of the Articles and provided that the suppression of the preferred subscription right is specifically referred to in the shareholders notice to attend.

The preferred subscription right is not applicable when the subscribed capital is increased by means of contributions in kind.

#### **Article 9. Acquisition of Own Shares**

The Company may acquire and hold its own shares under the following legal limits, in accordance with article 49-2 and following of the Law.

Only fully paid-up shares may be acquired by the Company. The sole shareholder, or as the case may be general meeting of shareholders, will authorise the acquisition and modalities of the acquisition of its own shares, the value of which may not exceed ten percent (10%) of the Company's subscribed capital and which may not cause the net assets to be reduced below the aggregate of the subscribed capital. The Director, or as the case may be, the Board of Directors shall ensure compliance with the abovementioned conditions.

The abovementioned conditions shall not apply in case of certain acquisitions of the Company's own shares, including those in view of reducing the capital, those resulting from (i) a universal transfer of assets, (ii) a court order in view of the protection of minority shareholders or (iii) the failure of a shareholder to pay up the shares. Such acquisitions may not reduce the Company's net assets below the aggregate of the subscribed capital and the reserves which may not be distributed under the law. If the relevant shares amounting to more than ten percent (10%) of the subscribed capital are not disposed of within a period of three (3) years they may be cancelled and the subscribed capital reduced accordingly. If the relevant shares amounting to more than

---



ten percent (10%) of the subscribed capital are not disposed of within a period of three (3) years they may be cancelled and the subscribed capital reduced accordingly.

If the acquisition is deemed to be necessary to prevent imminent and serious harm to the Company, the shares may be acquired without the general meeting's prior authorisation, on condition that the next general meeting be informed of the reasons and purpose of the acquisition and all relevant information pertaining thereto.

### **CHAPTER III. DIRECTORS, BOARD OF DIRECTORS, STATUTORY AUDITORS**

#### **Article 10. Board of Directors**

If the Company has a single shareholder, the latter may appoint only one Director (the "**Director**"); however, a single shareholder may also appoint a board of directors (the "**Board of Directors**") composed of at least three (3) and of maximum seven (7) members, if it so chooses. When the Company has several shareholders, it shall be managed by a Board of Directors composed of at least three (3) and of maximum seven (7) members who need not be shareholders.

The Director(s) shall be appointed, by the sole shareholder or, as the case may be, by the general meeting of shareholders. The sole shareholder, or as the case may be the general meeting of shareholders, will determine their number and the duration of their mandate for a period not exceeding six (6) years, and they will hold office until their successors are elected. They may be re-elected, and they may be removed at any time, with or without cause, by a resolution of the sole shareholder or, as the case may be, of the general meeting of shareholders. The mandate of the Director or, as the case may be, the Directors shall be remunerated.

If a corporate entity is appointed as Director, it shall designate a natural person as its permanent representative, who will represent the corporate entity as Sole Director or as member of the Board of Directors, in accordance with article 51bis of the Law.

In the event of a vacancy on the Board of Directors, if applicable, the remaining Director(s) may meet and may elect a director to fill such vacancy on a provisional basis until the next meeting of shareholders.

The Director(s) shall not disclose, even after the term of their mandate, information on the Company made available to them, the disclosure of which may be detrimental to the Company's interests, except when such a disclosure is mandatory by law or in public interest.

#### **Article 11. Meetings of the Board of Directors**

If the Company has one sole Director, the latter will exercise the power granted by the Law to the Board of Directors.

The Board of Directors will appoint from among its members a chairman (the "**Chairman**"). It may also appoint a corporate secretary, who need not be a Director and who will be responsible for keeping the minutes of the meetings of the Board of Directors and of the shareholder(s).

---

The Board of Directors will meet upon call by the Chairman. A meeting of the Board of Directors must be convened if any two Directors so require.

The Chairman will preside at all meetings of the Board of Directors and of the shareholders, except that in his absence the Board of Directors may appoint another Director and the general meeting of shareholders may appoint any other person as chairman pro tempore by vote of the majority present or represented at such meeting.

Except in cases of urgency or with the prior consent of all those entitled to attend, at least twenty-four hours written notice of board meetings shall be given. Any such notice shall specify the place, the date and time of the meeting as well as the agenda and the nature of the business to be transacted.

The notice may be waived by unanimous written consent given at the meeting by all Directors. No separate notice is required for meetings held at times and places specified in a schedule previously adopted by resolution of the Board of Directors.

Every board meeting shall be held in Luxembourg or such other place indicated in the notice.

Any Director may act at any meeting of the Board of Directors by appointing in writing another Director as his proxy.

A quorum of the Board of Directors shall be the presence or the representation of a majority of the Directors holding office.

Decisions will be taken by a majority of the votes of the Directors present or represented at such meeting. In case of plurality of votes, the Chairman has a casting vote.

One or more Directors may participate in a meeting by means of a conference call, by videoconference or by any similar means of communication enabling thus several persons participating therein to simultaneously communicate with each other. Such meetings shall be considered equivalent as a meeting held at the registered office of the Company.

Where time is of the essence, a written decision passed by circular means and expressed by cable, facsimile or any other similar means of communication, signed by all the Directors, is proper and valid as though it had been adopted at a meeting of the Board of Directors which was duly convened and held. Such a decision can be documented in a single document or in several separate documents having the same content and each of them signed by one or several Directors.

**Article 12. Minutes of Meetings of the Board of Directors**

The minutes of any meeting of the Board of Directors shall be signed by all Directors present at the meeting. Any proxies will remain attached thereto.

Copies or extracts thereof shall be certified by the sole Director or, as the case may be, by the corporate secretary appointed by the Board of Directors.

---

**Article 13. General Powers of the Board of Directors**

The Director or, as the case may be, the Board of Directors is vested with the broadest powers to act on behalf of the Company and to perform or authorise all acts of administrative or disposal nature, necessary or useful for accomplishing the Company's object. All powers not expressly reserved by the Law or by these Articles to the sole shareholder or, as the case may be, to the general meeting of shareholders, fall within the competence of the Director or, as the case may be, the Board of Directors.

The Director or, as the case may be, the Board of Directors may freely decide to reimburse any share premium account of the Company to its shareholders, in accordance with the provisions of the Law.

**Article 14. Delegation of Powers**

The Director or, as the case may be, the Board of Directors, may delegate its powers to conduct the daily management and affairs of the Company and the representation of the Company for such daily management and affairs to any member or members of the Board of Directors, directors, managers or other officers who need not be shareholders of the Company under the form of an Executive Committee, under such terms and with such powers as the Director or, as the case may be, the Board of Directors shall determine.

The Director or, as the case may be, the Board of Directors may also confer all powers and special mandates to any person who need not be a Director, and delegate to one or more directors, managers of the company or other agents, who may but are not required to be shareholders, acting either alone or jointly, and appoint and dismiss all officers and employees and fix their emoluments.

When the Company is managed by a Board of Directors, the delegation of daily management to a member of the Board of Directors or the Executive Committee entails the obligation for the Board of Directors to report each year to the ordinary general meeting on the salary, fees and any advantages granted to the delegate.

The Director or, as the case may be, the Board of Directors may appoint amongst others the following committees, an Executive Committee, an Audit Committee, a Nomination and Governance Committee, a Compensation Committee and any other advisory committees required by law or otherwise and the Director, or, as the case may be, the Board of Directors will determine their composition and purpose.

**Article 15. Representation of the Company**

In case only one Director has been appointed, the Company will be bound toward third parties by the sole signature of that Director or by any person(s) to whom such authority has been delegated by that Director.

In case the Company is managed by a Board of Directors, the Company will be bound towards third parties by the joint signature of any two Directors or by any person(s) to whom such authority has been delegated by the Board of Directors.

---

**Article 16. Conflict of Interests**

No contract or other transaction between the Company and any other company or firm shall be affected or invalidated by the fact that any one or more of the Directors or officers of the Company has a personal interest in, or is a director, associate, member, officer or employee of such other company or firm. Except as otherwise provided for hereafter, any Director or officer of the Company who serves as a director, associate, officer or employee of any company or firm with which the Company shall contract or otherwise engage in business shall not, by reason of such affiliation with such other company or firm, be automatically prevented from considering and voting or acting upon any matters with respect to such contract or other business.

Notwithstanding the above, in the event that any Director or officer of the Company may have any personal interest in any transaction of the Company, other than transactions concluded under normal conditions and falling within the scope of the day-to-day management of the Company, he shall make known to the Board of Directors (if any) such personal interest and shall not consider or vote on any such transaction, and such transaction and such Director's or officer's interest therein shall be reported to the sole shareholder or as the case may be, to the next general meeting of shareholders.

However, when the Company is composed of a single Director, minutes mentioning transactions in which the Director has a personal interest shall be recorded.

The Company shall indemnify (or as the case may be advance to) any Director or officer and his heirs, executors and administrators, against expenses and costs (including reasonable lawyers' fees) reasonably incurred by him in connection with any action, suit or proceeding to which he may be made a party by reason of his being or having been a director or officer of the Company, or, at the request of the Company, of any other company of which the Company is a shareholder or creditor and by which he is not entitled to be indemnified, except in relation to matters as to which he shall be finally adjudged in such action, suit or proceeding to be liable for gross negligence or willful misconduct; in the event of a settlement, indemnification shall be provided only in connection with such matters covered by the settlement as to which the Company is advised by its legal counsel that the person to be indemnified did not commit such a breach of duty. The foregoing right of indemnification shall not exclude other rights to which he may be entitled.

**Article 17. Auditors**

The supervision of the operations of the Company is entrusted to one or more auditors.

The auditors will be elected by the sole shareholder or, as the case may be, the general meeting of shareholders by a simple majority of votes present or represented at the meeting, which will determine their number, for a period not exceeding six years. They will hold office until their successors are elected. They shall be eligible for re-election, but they may be removed at any time, with or without cause, by a resolution of the sole shareholder or, as the case may be, by a resolution adopted by a simple majority of votes present or represented at the meeting.

---

## **CHAPTER IV. MEETINGS OF SHAREHOLDERS**

### **Article 18. Annual General Meeting**

The annual general meeting will be held at the registered office of the Company or at such other place as may be specified in the notice convening the meeting on the third Wednesday of the month of May of each year, at 10 a.m.

If such day is a public holiday, the meeting will be held on the next following business day.

### **Article 19. Other General Meetings of Shareholders**

If the Company is composed of one sole shareholder, the latter exercises the powers granted by the law to the general meeting of shareholders. In such case, the decisions of the sole shareholder are recorded in minutes.

The Director or, as the case may be, the Board of Directors may convene other general meetings. Such meetings must be convened if shareholders representing at least one tenth of the Company's capital so require in writing with an indication of the agenda of the up coming meeting. If the general meeting is not held within one month of the scheduled date, it may be convened by an agent designated by the judge presiding the *Tribunal d'Arrondissement* dealing with commercial matters and hearing interim relief matters, upon the request of one or more shareholders representing the 10% (ten percent) threshold.

General meetings of shareholders, including the annual general meeting, may be held abroad if, in the discretion of the Director or, as the case may be, the Board of Directors, circumstances of force majeure so require.

### **Article 20. Powers of the Meeting of Shareholders**

Any regularly constituted general meeting of shareholders of the Company represents the entire body of shareholders.

Subject to all the other powers reserved to the Director or, as the case may be, the Board of Directors, by the Law or the Articles, the general meeting of shareholders has the broadest powers to adopt, carry out or ratify any act relating to the operations of the Company.

### **Article 21. Procedure, Vote**

The sole shareholder or, as the case may be, the general meeting of shareholders will meet upon call by the Director or, as the case may be, by the Board of Directors or the auditor(s) made in compliance with Luxembourg law and the present Articles.

The notice sent to the shareholders in accordance with the Law will specify the time and place of the meeting as well as the agenda and the nature of the business to be transacted.

Shareholders representing at least one tenth of the Company's share capital may request in writing that additional items be included on the agenda of any general meeting. Such request shall be addressed to the registered office of the Company by registered letter at least five days before the date on which the general meeting shall be held.

---

If all the shareholders are present or represented at a general meeting of shareholders and if they state that they have been informed of the agenda of the meeting, the meeting may be held without prior notice.

A shareholder may act at any meeting of shareholders by appointing in writing whether in original, by facsimile or e-mail to which an electronic signature (valid under Luxembourg law) is affixed as his proxy another person who need not be a shareholder.

The Director or, as the case may be, the Board of Directors may determine all other conditions that must be fulfilled in order to take part in a general meeting of shareholders.

Except as otherwise required by the Law or by the present Articles, all other resolutions will be taken by a simple majority of votes provided that a quorum of at least 33 1/3 percent of the outstanding shares of the Company are present or represented at the meeting. If any subsequent meeting is called with exactly the same agenda as for the first meeting, there is a quorum requirement of at least 33 1/3 percent of the outstanding shares of the Company present or represented at such meeting.

Any resolution whose purpose is to amend the present Articles or whose adoption is subject by virtue of these Articles or, as the case may be, the Law to the quorum and majority rules set for the amendment of the Articles will be taken by two third of shareholders representing at least half of the subscribed share capital of the Company. If any subsequent meeting is called with exactly the same agenda as for the first meeting, there is a quorum requirement of at least 33 1/3 percent of the outstanding shares of the Company present or represented at such meeting.

One or several shareholders may participate in a meeting by means of a conference call, by videoconference or by any similar means of communication thus enabling several persons participating therein to simultaneously communicate with each other. Such participation shall be deemed equivalent to a physical presence at the meeting.

One vote is attached to each share.

Copies or extracts of the minutes of the resolutions passed by sole shareholder or, as the case may be, by the general meeting of shareholders shall be certified by the sole Director or, as the case may be, by the Chairman of the Board of Directors or by any two Directors.

## **CHAPTER V. FINANCIAL YEAR, DISTRIBUTION OF PROFITS**

### **Article 22. Financial Year**

The Company's financial year begins on the first day of the month of January and ends on the last day of the month of December every year.

### **Article 23. Adoption of Financial Statements**

At the end of each financial year, the accounts are closed, the Director or, as the case may be, the Board of Directors, draw up an inventory of assets and liabilities, the balance sheet and the profit and loss account, in accordance with the Law.

The balance sheet and the profit and loss account are submitted to the sole shareholder or, as the case may be, the general meeting of shareholders for approval.

---

**Article 24. Appropriation of Profits**

From the annual net profits of the Company, five percent (5%) shall be allocated to the reserve required by the Law. That allocation will cease to be required as soon and as long as such reserve amounts to ten percent (10%) of the subscribed share capital of the Company.

Upon recommendation of the sole Director, or as the case may be, the Board of Directors, the sole shareholder or, as the case may be, the general meeting of shareholders shall determine how the remainder of the annual net profits will be disposed. It may decide to allocate the whole or part of the remainder to a reserve or to a provision reserve, to carry it forward to the next following financial year or to distribute it to the shareholder(s) as dividend.

Subject to the conditions fixed by the Law, the sole Director, or as the case may be, the Board of Directors may pay out an advance payment on dividends. The sole director or the Board of Directors fixes the amount and the date of payment of any such advance payment.

Dividends may also be paid out of unappropriated net profit brought forward from prior financial years.

Subject to the prior approval or ratifications by the following decision of the sole shareholder or, as the case may be, of the general meeting of shareholders, the Director or, as the case may be, the Board of Directors may pay out interim dividends on the basis of the statement of accounts prepared by the Director or, as the case may be, the Board of Directors, showing sufficient funds available for distribution, provided that the amount to be distributed does not exceed profits realized since the end of the financial year increased by profits carried forward and distributable reserves and decreased by losses carried forward and any sums to be allocated to the reserves required by the Law or by the Articles. The Director or, as the case may be, the Board of Directors fixes the amount and the date of payment of any such interim dividends.

**CHAPTER VI. DISSOLUTION, LIQUIDATION OF THE COMPANY**

**Article 25. Dissolution, Liquidation**

Upon the affirmative proposal of the Sole Director, or as the case may be, the Board of Directors, the Company may be dissolved by a decision of the sole shareholder or, as the case may be, of the general meeting of shareholders voting with the same quorum and majority as for the amendment of these Articles, unless otherwise provided by the Law.

Should the Company be dissolved, the liquidation will be carried out by one or more liquidators (who may be physical persons or legal entities) appointed by the sole shareholder or by the general meeting of shareholders, as the case may be, which will determine their powers and their compensation.

After payment of all the debts of and charges against the Company and of the expenses of liquidation, the net assets shall be distributed equally to the shareholders pro rata to the number of the shares held by them.

**CHAPTER VII. APPLICABLE LAW**

**Article 26. Applicable Law**

All matters not governed by these Articles shall be determined in accordance with the applicable Luxembourg Law.

**TRANSITION SERVICES AGREEMENT**, dated as of \_\_\_\_\_, 2009, between OCWEN FINANCIAL CORPORATION, a Florida corporation ("**OCWEN**" or together with its Affiliates "**OCWEN Group**"), and ALTISOURCE SOLUTIONS S.à r.l., a public limited liability company organized under the laws of the Grand Duchy of Luxembourg and an indirect, wholly-owned subsidiary of OCWEN ("**ALTISOURCE**" or together with its Affiliates "**ALTISOURCE Group**").

#### RECITALS

WHEREAS, OCWEN and Altisource Portfolio Solutions S.A. (formerly known as Altisource Portfolio Solutions S.à r.l., formerly known as Ocwen Luxembourg S.à r.l.), the sole parent of ALTISOURCE ("**ALTISOURCE Parent**"), are parties to a Separation Agreement dated as of [\_\_\_\_], 2009 (the "**Separation Agreement**"), pursuant to which OCWEN will (i) contribute to ALTISOURCE Parent the Altisource Business (as defined in the Separation Agreement) and (ii) distribute (the "**Distribution**") to the holders of shares of OCWEN's outstanding capital stock all of the outstanding capital stock of ALTISOURCE Parent;

WHEREAS, following the Distribution, ALTISOURCE Parent will operate the Altisource Business, and OCWEN will operate the OCWEN Business (as defined in the Separation Agreement); and

WHEREAS, following the Distribution, (i) ALTISOURCE desires to receive, and OCWEN is willing to provide, or cause to be provided, certain transition services in connection with the Altisource Business and (ii) OCWEN desires to receive, and ALTISOURCE is willing to provide, or cause to be provided, certain transition services in connection with the OCWEN Business, in each case for a limited period of time and subject to the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the mutual agreements, provisions and covenants contained in this Agreement, the parties agree as follows:

#### 1. **Definitions.**

(a) Capitalized terms used herein and not otherwise defined have the meanings given to such terms in the Separation Agreement.

(b) For the purposes of this Agreement, the following terms shall have the following meanings:

"**Affiliate**" means with respect to any Person (a "Principal") (a) any directly or indirectly wholly-owned subsidiary of such Principal, (b) any Person that directly or indirectly owns 100% of the voting stock of such Principal or (c) a Person that controls, is controlled by or is under common control with such Principal. As used herein, "control" of any entity means the possession, directly or indirectly, through one or more intermediaries, of the power to direct or cause the direction of the management or policies of such entity, whether through ownership of voting securities or other interests, by contract or otherwise. Furthermore, with respect to any Person that is partially owned by such Principal and does not otherwise constitute an Affiliate (a "Partially-Owned Person"), such Partially-Owned Person shall be considered an Affiliate of such



Principal for purposes of this Agreement if such Principal can, after making a good faith effort to do so, legally bind such Partially-Owned Person to this Agreement.

“Agreement” means this Transition Services Agreement, including the Schedules hereto and any SOWs entered into pursuant to Section 2(b).

“Fully Allocated Cost” means, with respect to provision of a Service, the all-in cost of the Providing Party’s provision of such Service, including a share of direct charges of the function providing such Service, and including allocable amounts to reflect compensation and benefits, technology expenses, occupancy and equipment expense, and third-party payments incurred in connection with the provision of such Service, but shall not include any Taxes payable as a result of performance of such Service.

“OCWEN-Provided Services” means the services set forth on Schedule I and the SOWs related thereto.

“ALTISOURCE-Provided Services” means the services set forth on Schedule II and the SOWs related thereto.

“Providing Party” means a party in its capacity of providing a Service hereunder.

“Receiving Party” means a party in its capacity of receiving a Service hereunder.

“Services” means, as the context requires, the OCWEN-Provided Services and the ALTISOURCE-Provided Services, collectively or either of the OCWEN-Provided Services or the ALTISOURCE-Provided Services.

“SOW” means a statement of work entered into between the parties on an as-needed basis to describe a particular service that is not covered specifically in a schedule hereto, but has been agreed to be provided pursuant to the terms of this Agreement except as otherwise set forth in such SOW.

## 2. Provision of Services.

(a) *Generally.* Subject to the terms and conditions of this Agreement, (i) OCWEN shall provide, or cause to be provided, to ALTISOURCE and the ALTISOURCE Group, solely for the benefit of the Altisource Business in the ordinary course of business, the OCWEN-Provided Services, and (ii) ALTISOURCE shall provide, or cause to be provided, to OCWEN and the OCWEN Group, solely for the benefit of the OCWEN Business in the ordinary course of business, the ALTISOURCE-Provided Services, in each case for periods commencing on the Distribution Date through the respective period specified in Schedule I or Schedule II (the “Service Period”), unless such period is earlier terminated in accordance with Section 5.

(b) *Statements of Work.* In addition to the services provided as set forth on Schedule I and Schedule II, from time to time during the term of this Agreement the parties shall have the right to enter into SOWs to set forth the terms of any related or additional transition services to be performed hereunder. Any SOW shall be agreed to by each party, shall be in writing and (I) shall contain: (i) the identity of each of the Providing Party and the Receiving

Party; (ii) a description of the Services to be performed thereunder; (iii) the applicable performance standard for the provision of such Service, if different from the Performance Standard; (iv) the amount, schedule and method of compensation for provision of such Service, which shall reflect the Fully Allocated Cost of such Service; and (II) may contain (i) the Receiving Party's standard operating procedures for receipt of services similar to such Service, including operations, compliance requirements and related training schedules; (ii) information technology support requirements of the Receiving Party with respect to such Service; and (iii) training and support commitments with respect to such Service. For the avoidance of doubt, the terms and conditions of this Agreement shall apply to any SOW.

(c) The Services shall be performed on Business Days during hours that constitute regular business hours for each of OCWEN and ALTISOURCE, unless otherwise agreed. No Receiving Party, nor any member of its respective Group, shall resell, subcontract, license, sublicense or otherwise transfer any of the Services to any Person whatsoever or permit use of any of the Services by any Person other than by the Receiving Party and its Affiliates directly in connection with the conduct of the Receiving Party's respective business in the ordinary course of business.

(d) Notwithstanding anything to the contrary in this Section 2 (but subject to the second succeeding sentence), the Providing Party shall have the exclusive right to select, employ, pay, supervise, administer, direct and discharge any of its employees who will perform Services. The Providing Party shall be responsible for paying such employees' compensation and providing to such employees any benefits. With respect to each Service, the Providing Party shall use commercially reasonable efforts to have qualified individuals participate in the provision of such Service; provided, however, that (i) the Providing Party shall not be obligated to have any individual participate in the provision of any Service if the Providing Party determines that such participation would adversely affect the Providing Party or its Affiliates; and (ii) none of the Providing Party or its Affiliates shall be required to continue to employ any particular individual during the applicable Service Period.

(e) Each of OCWEN and ALTISOURCE acknowledges that the purpose of this Agreement is to enable it to receive the applicable Services on an interim basis. Accordingly, at all times from and after the Distribution Date, each of OCWEN and the OCWEN Group, on the one hand, and ALTISOURCE and the ALTISOURCE Group, on the other hand, shall use commercially reasonable efforts to make or obtain, or cause to be made or obtained, any filings, registrations, approvals, permits or licenses; implement, or cause to be implemented, any systems; purchase, or cause to be purchased, any equipment; and take, or cause to be taken, any and all other actions, in each case necessary or advisable to enable it to provide for the Services for itself as soon as reasonably practical, and in any event prior to the expiration of the relevant Service Periods. For the avoidance of doubt, no Providing Party shall be required to provide any Service for a period longer than the applicable Service Period.

### 3. Standard of Performance.

(a) The Providing Party shall use commercially reasonable efforts to provide, or cause to be provided, to the Receiving Party and the Receiving Party's Group, each Service in a manner generally consistent with the manner and level of care with which such Service was

provided to the Altisource Business or the OCWEN Business, as applicable, immediately prior to the Distribution Date (or, with respect to any Service not provided prior to the Distribution Date, generally consistent with the manner and level of care with which such Service is performed by the Providing Party for its own behalf) (the "Performance Standard"), unless otherwise specified in this Agreement. Notwithstanding the foregoing, no Providing Party shall have any obligation hereunder to provide to any Receiving Party (i) any improvements, upgrades, updates, substitutions, modifications or enhancements to any of the Services unless otherwise specified in Schedule I or Schedule II, as applicable, or (ii) any Service to the extent that the need for such Service arises, directly or indirectly, from the acquisition by the Receiving Party or any member of its Group, outside the ordinary course of business, of any assets of, or any equity interest in, any Person. The Receiving Party acknowledges and agrees that the Providing Party may be providing services similar to the Services provided hereunder and/or services that involve the same resources as those used to provide the Services to its and its Affiliates' business units and other third parties, and, accordingly, the Providing Party reserves the right to modify any of the Services or the manner in which any of the Services are provided in the ordinary course of business; provided, however, that no such modification shall materially diminish the Services or have a materially adverse effect on the business of the Receiving Party.

(b) The Providing Party will use commercially reasonable efforts not to establish priorities, as between the Providing Party and its Affiliates, on the one hand, and the Receiving Party and its Affiliates, on the other hand, as to the provision of any Service, and will use commercially reasonable efforts to provide the Services within a time frame so as not to materially disrupt the business of the Receiving Party. Notwithstanding the foregoing, the Receiving Party acknowledges and agrees that, due to the transitional nature of the Services, the Providing Party shall have the right to establish reasonable priorities as between the Providing Party and its Affiliates, on the one hand, and the Receiving Party and its Affiliates, on the other hand, as to the provision of any Service if the Providing Party determines that such priorities are necessary to avoid any adverse effect to the Providing Party and its Affiliates. If any such priorities are established, the Providing Party shall advise the Receiving Party as soon as possible of any Services that will be delayed as a result of such prioritization, and will use commercially reasonable efforts to minimize the duration and impact of such delays.

#### 4. Fees for Services.

(a) As compensation for a particular Service, the Receiving Party agrees to pay to the Providing Party the Fully Allocated Cost of providing the Services in accordance with this Agreement or, with respect to any SOW, the amount set forth therein.

(b) The Providing Party shall submit statements of account to the Receiving Party on a monthly basis with respect to all amounts payable by the Receiving Party to the Providing Party hereunder (the "Invoiced Amount"), setting out the Services provided, and the amount billed to the Receiving Party as a result of providing such Services (together with, in arrears, any Commingled Invoice Statement (as defined below) and any other invoices for Services provided by third parties, in each case setting out the Services provided by the applicable third parties). The Receiving Party shall pay the Invoiced Amount to the Providing Party by wire transfer of immediately available funds to an account or accounts specified by the Providing Party, or in such other manner as specified by the Providing Party in writing, or

otherwise reasonably agreed to by the Parties, within 30 days of the date of delivery to the Receiving Party of the applicable statement of account; provided, that, in the event of any dispute as to an Invoiced Amount, the Receiving Party shall pay the undisputed portion, if any, of such Invoiced Amount in accordance with the foregoing, and shall pay the remaining amount, if any, promptly upon resolution of such dispute.

(c) The Providing Party may engage third-party contractors, at a reasonable cost, to perform any of the Services, to provide professional services related to any of the Services, or to provide any secretarial, administrative, telephone, e-mail or other services necessary or ancillary to the Services (collectively, the "Ancillary Services") (all of which may be contracted for separately by the Providing Party on behalf of the Receiving Party) after giving notice to the Receiving Party, reasonably in advance of the commencement of such Services and Ancillary Services to be so provided by such contractors, of the identity of such contractors, each Service and Ancillary Service to be provided by such contractors and a good faith estimate of the cost (or formula for determining the cost) of the Services and Ancillary Services to be so provided by such contractors. The Receiving Party may, in its sole discretion, decline to accept any such Services or Ancillary Services to be provided by any such contractors by giving prompt written notice to the Providing Party, provided that, if the Receiving Party so declines any Service or Ancillary Service from any such contractors, then thereafter, notwithstanding anything in this Agreement to the contrary, the Providing Party shall be excused from any obligation to provide such Service or Ancillary Service.

(d) The Providing Party may cause any third party to which amounts are payable by or for the account of the Receiving Party in connection with Services or Ancillary Services to issue a separate invoice to the Receiving Party for such amounts. The Receiving Party shall pay or cause to be paid any such separate third party invoice in accordance with the payment terms thereof. Any third party invoices that aggregate Services or Ancillary Services for the benefit of the Receiving Party and its Group, on the one hand, with services not for the benefit of Receiving Party and its Group, on the other hand (each, a "Commingle Invoice"), shall be separated by the Providing Party. The Providing Party shall prepare a statement indicating that portion of the invoiced amount of such Commingle Invoice that is attributable to Services or the Ancillary Services rendered for the benefit of Receiving Party and its Group (the "Commingle Invoice Statement"). The Providing Party shall deliver such Commingle Invoice Statement and a copy of the Commingle Invoice to the Receiving Party. The Receiving Party shall, within 30 days after the date of delivery to the Receiving Party of such Commingle Invoice Statement, pay or cause to be paid the amount set forth on such Commingle Invoice Statement to the third party, and shall deliver evidence of such payment to the Providing Party. The Providing Party shall not be required to use its own funds for payments to any third party providing any of the Services or Ancillary Services or to satisfy any payment obligation of the Receiving Party or any of its Affiliates to any third party provider; provided, however, that in the event the Providing Party does use its own funds for any such payments to any third party, the Receiving Party shall reimburse the Providing Party for such payments as invoiced by the Providing Party within 30 days following the date of delivery of such invoice from the Providing Party.

(e) The Providing Party may, in its discretion and without any liability, suspend any performance under this Agreement upon failure of the Receiving Party to make

timely any payments required under this Agreement beyond the applicable cure date specified in Section 5(b)(8) of this Agreement.

(f) In the event that the Receiving Party does not make any payment required under the provisions of this Agreement to the Providing Party when due in accordance with the terms hereof, the Providing Party may, at its option, charge the Receiving Party interest on the unpaid amount at the rate of 2% per annum above the prime rate charged by JPMorgan Chase Bank, N.A. (or its successor). In addition, the Receiving Party shall reimburse the Providing Party for all costs of collection of overdue amounts, including any reimbursement required under Section 4(d) and any reasonable attorneys' fees.

(g) The Receiving Party acknowledges and agrees that it shall be responsible for any interest or other amounts in respect of any Commingled Invoice that the Receiving Party is required to pay pursuant to any Commingled Invoice Statement.

5. Term; Termination.

(a) *Term.* The term of this Agreement shall commence on the Distribution Date and shall continue in full force and effect until the end of the latest Service Period or the earlier date upon which this Agreement has been otherwise terminated in accordance with the terms hereof.

(b) *Termination.* During the term of this Agreement, this Agreement (or, with respect to items (1), (3), (4), (5), (7) and (8) below, the particular SOW only) may be terminated:

- (1) by a Receiving Party, if the Receiving Party is prohibited by law from receiving such Services from the Providing Party;
- (2) by a Receiving Party, in the event of a material breach of any covenant or representation and warranty contained herein or otherwise directly relating to or affecting the Services to be provided hereunder of the Providing Party that cannot be or has not been cured by the 30<sup>th</sup> day from the Receiving Party's giving of written notice of such breach to the Providing Party;
- (3) by a Receiving Party, if the Providing Party fails to comply with all applicable regulations to which the Providing Party is subject directly relating to or affecting the Services to be performed hereunder, which failure cannot be or has not been cured by the 30<sup>th</sup> day from the Receiving Party's giving of written notice of such failure to the Providing Party;
- (4) by a Receiving Party, if the Providing Party or any member of its Group providing Services hereunder is cited by a Governmental Authority for materially violating any law governing the performance of a Service, which violation cannot be or has not been cured by the 30<sup>th</sup> day from the Receiving Party's giving of written notice of such citation to the Providing Party;

- (5) by a Receiving Party, if the Providing Party fails to meet any Performance Standard for a period of three consecutive months, which failure cannot be or has not been cured by the 30<sup>th</sup> day from the Receiving Party's giving of written notice of such failure to the Providing Party;
- (6) by either party, if the other party (A) becomes insolvent, (B) files a petition in bankruptcy or insolvency, is adjudicated bankrupt or insolvent or files any petition or answer seeking reorganization, readjustment or arrangement of its business under any law relating to bankruptcy or insolvency, or if a receiver, trustee or liquidator is appointed for any of the property of the other party and within 60 days thereof such party fails to secure a dismissal thereof or (C) makes any assignment for the benefit of creditors;
- (7) by a Receiving Party, in the event of any material infringement of such Receiving Party's Intellectual Property (as defined in the Intellectual Property Agreement) by the Providing Party, which infringement cannot be or has not been cured by the 30<sup>th</sup> day from the Receiving Party's giving of written notice of such event to the Providing Party;
- (8) by a Providing Party, if the Receiving Party fails to make any payment for any portion of Services the payment of which is not being disputed in good faith by the Receiving Party, which payment remains unpaid by the 30<sup>th</sup> day from the Providing Party's giving of written notice of such failure to the Receiving Party; and
- (9) by a Receiving Party, upon 60 days prior notice to the Providing Party, if the Receiving Party has determined to perform the respective Service or SOW on its own behalf.

(c) Upon the early termination of any Service pursuant to Section 5(b)(9) or upon the expiration of the applicable Service Period, following the effective time of the termination, the Providing Party shall no longer be obligated to provide such Service; provided that the Receiving Party shall be obligated to reimburse the Providing Party for any reasonable out-of-pocket expenses or costs attributable to such termination.

(d) No termination, cancellation or expiration of this Agreement shall prejudice the right of either party hereto to recover any payment due at the time of termination, cancellation or expiration (or any payment accruing as a result thereof), nor shall it prejudice any cause of action or claim of either party hereto accrued or to accrue by reason of any breach or default by the other party hereto.

(e) Notwithstanding any provision herein to the contrary, Sections 4, 6 and 9 through 17 of this Agreement shall survive the termination of this Agreement.

6. Miscellaneous. Except as otherwise expressly set forth in this Agreement, the provisions in Article X of the Separation Agreement (which Article X addresses counterparts, entire agreement, corporate power, governing law, third party beneficiaries, notices, severability,

expenses, headings, survival of covenants, waivers of default, specific performance, amendments, interpretation, jurisdiction and service of process) other than the provisions thereof relating to assignability and publicity, shall apply *mutatis mutandis* to this Agreement.

7. Intellectual Property. Subject to the terms of the Intellectual Property Agreement, the Receiving Party grants to the Providing Party and its Affiliates a limited, non-exclusive, fully paid-up, nontransferable, revocable license, without the right to sublicense, for the term of this Agreement to use all intellectual property owned by or, to the extent permitted by the applicable license, licensed to the Receiving Party solely to the extent necessary for the Providing Party to perform its obligations hereunder.

8. Cooperation; Access.

(a) The Receiving Party shall, and shall cause its Group to, permit the Providing Party and its employees and representatives access, on Business Days during hours that constitute regular business hours for the Receiving Party and upon reasonable prior request, to the premises of the Receiving Party and its Group and such data, books, records and personnel designated by the Receiving Party and its Group as involved in receiving or overseeing the Services as the Providing Party may reasonably request for the purposes of providing the Services. The Providing Party shall provide the Receiving Party, upon reasonable prior written notice, such documentation relating to the provision of the Services as the Receiving Party may reasonably request for the purposes of confirming any Invoiced Amount or other amount payable pursuant to any Commingled Invoice Statement or otherwise pursuant to this Agreement. Any documentation so provided to the Providing Party pursuant to this Section will be subject to the confidentiality obligations set forth in Section 9 of this Agreement.

(b) Each party hereto shall designate a relationship manager (each, a "Relationship Executive") to report and discuss issues with respect to the provision of the Services and successor relationship executives in the event that a designated Relationship Executive is not available to perform such role hereunder. The initial Relationship Executive designated by OCWEN shall be Ronald M. Faris and the initial Relationship Executive designated by ALTISOURCE shall be William B. Shepro. Either party may replace its Relationship Executive at any time by providing written notice thereof to the other party hereto.

9. Confidentiality. This Agreement and the information provided to each party hereunder shall be subject to the confidentiality provisions set forth in Sections 6.07 and 6.08 of the Separation Agreement.

10. Dispute Resolution. All disputes, controversies and claims directly or indirectly arising out of or in relation to this Agreement or the validity, interpretation, construction, performance, breach or enforceability of this Agreement shall be finally, exclusively and conclusively settled in accordance with the provisions of Article VII of the Separation Agreement, which shall apply *mutatis mutandis* to this Agreement.

11. Warranties; Limitation of Liability; Indemnity.

(a) The Receiving Party acknowledges that the Providing Party is not engaged in the business of providing services of the type being provided hereunder and that the Services

and Ancillary Services to be provided by the Providing Party to the Receiving Party and the Receiving Party's Group are being provided as an accommodation to the Receiving Party and the Receiving Party's Group in connection with the transactions contemplated by the Separation Agreement. All Services and Ancillary Services are provided "as is".

(b) Other than the statements expressly made by the Providing Party in this Agreement, the Providing Party makes no representation or warranty, express or implied, with respect to the Services and Ancillary Services and, except as provided in Subsection (c) of this Section 11, the Receiving Party hereby waives, releases and renounces all other representations, warranties, obligations and liabilities of the Providing Party, and any other rights, claims and remedies of the Receiving Party against the Providing Party, express or implied, arising by law or otherwise, with respect to any nonconformance, error, omission or defect in any of the Services or Ancillary Services, including (i) any implied warranty of merchantability or fitness for a particular purpose, (ii) any implied warranty of non-infringement or arising from course of performance, course of dealing or usage of trade and (iii) any obligation, liability, right, claim or remedy in tort, whether or not arising from the negligence of the Providing Party.

(c) None of the Providing Party or any of its Affiliates or any of its or their respective officers, directors, employees, agents, attorneys-in-fact, contractors or other representatives shall be liable for any action taken or omitted to be taken by the Providing Party or such person under or in connection with this Agreement, except that the Providing Party shall be liable for direct damages or losses incurred by the Receiving Party or the Receiving Party's Group arising out of the gross negligence or willful misconduct of the Providing Party or any of its Affiliates or any of its or their respective officers, directors, employees, agents, attorneys-in-fact, contractors or other representatives in the performance or nonperformance of the Services or Ancillary Services.

(d) In no event shall the aggregate amount of all such damages or losses for which the Providing Party may be liable under this Agreement exceed the aggregate total sum received by the Providing Party for the Services; provided, that, no such cap shall apply to liability for damages or losses arising from or relating to breaches of Section 9 (relating to confidentiality), infringement of Intellectual Property or fraud or criminal acts. Except as provided in Subsection (c) of this Section 11, none of the Providing Party or any of its Affiliates or any of its or their respective officers, directors, employees, agents, attorneys-in-fact, contractors or other representatives shall be liable for any action taken or omitted to be taken by, or the negligence, gross negligence or willful misconduct of, any third party.

(e) Notwithstanding anything to the contrary herein, none of the Providing Party or any of its Affiliates or any of its or their respective officers, directors, employees, agents, attorneys-in-fact, contractors or other representatives shall be liable for damages or losses incurred by the Receiving Party or any of the Receiving Party's Affiliates for any action taken or omitted to be taken by the Providing Party or such other person under or in connection with this Agreement to the extent such action or omission arises from actions taken or omitted to be taken by, or the negligence, gross negligence or willful misconduct of, the Receiving Party or any of the Receiving Party's Affiliates.



(f) No party hereto or any of its Affiliates or any of its or their respective officers, directors, employees, agents, attorneys-in-fact, contractors or other representatives shall in any event have any obligation or liability to the other party hereto or any such other person whether arising in contract (including warranty), tort (including active, passive or imputed negligence) or otherwise for consequential, incidental, indirect, special or punitive damages, whether foreseeable or not, arising out of the performance of the Services or Ancillary Services or this Agreement, including any loss of revenue or profits, even if a party hereto has been notified about the possibility of such damages; provided, however, that the provisions of this Subsection (f) shall not limit the indemnification obligations hereunder of either party hereto with respect to any liability that the other party hereto may have to any third party not affiliated with any member of the Providing Party's Group or the Receiving Party's Group for any incidental, consequential, indirect, special or punitive damages.

(g) The Receiving Party shall indemnify and hold the Providing Party and its Affiliates and any of its or their respective officers, directors, employees, agents, attorneys-in-fact, contractors or other representatives harmless from and against any and all damages, claims or losses that the Providing Party or any such other person may at any time suffer or incur, or become subject to, as a result of or in connection with this Agreement or the Services or Ancillary Services provided hereunder, except those damages, claims or losses incurred by the Providing Party or such other person arising out of the gross negligence or willful misconduct by the Providing Party or such other person.

(h) Neither party hereto may bring an action against the other under this Agreement (whether for breach of contract, negligence or otherwise) more than six months after that party becomes aware of the cause of action, claim or event giving rise to the cause of action or claim or one year after the termination of this Agreement, whichever is shorter.

12. Taxes. Each party hereto shall be responsible for the cost of any sales, use, privilege and other transfer or similar taxes imposed upon that party as a result of the transactions contemplated hereby. Any amounts payable under this Agreement are exclusive of any goods and services taxes, value added taxes, sales taxes or similar taxes ("Sales Taxes") now or hereinafter imposed on the performance or delivery of Services, and an amount equal to such taxes so chargeable shall, subject to receipt of a valid receipt or invoice as required below in this Section 12, be paid by the Receiving Party to the Providing Party in addition to the amounts otherwise payable under this Agreement. In each case where an amount in respect of Sales Tax is payable by the Receiving Party in respect of a Service provided by the Providing Party, the Providing Party shall furnish in a timely manner a valid Sales Tax receipt or invoice to the Receiving Party in the form and manner required by applicable law to allow the Receiving Party to recover such tax to the extent allowable under such law. Additionally, if the Providing Party is required to pay 'gross-up' on withholding taxes with respect to provision of the Services, such taxes shall be billed separately as provided above and shall be owing and payable by the Receiving Party. Any applicable property taxes resulting from provision of the Services shall be payable by the party owing or leasing the asset subject to such tax.

13. Public Announcements. No party to this Agreement shall make, or cause to be made, any press release or public announcement or otherwise communicate with any news media in respect of this Agreement or the transactions contemplated by this Agreement without

the prior written consent of the other party hereto unless otherwise required by law, in which case the party making the press release, public announcement or communication shall give the other party reasonable opportunity to review and comment on such and the parties shall cooperate as to the timing and contents of any such press release, public announcement or communication.

14. Assignment. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and permitted assigns. No party hereto may assign either this Agreement or any of its rights, interests or obligations hereunder without the prior written approval of the other party hereto; provided, however, that either party may assign this Agreement without the consent of the other party to any third party that acquires, by any means, including by merger or consolidation, all or substantially all the consolidated assets of such party. Any purported assignment in violation of this Section 14 shall be void and shall constitute a material breach of this Agreement.

15. Relationship of the Parties. The parties hereto are independent contractors and none of the parties hereto is an employee, partner or joint venturer of the other. Under no circumstances shall any of the employees of a party hereto be deemed to be employees of the other party hereto for any purpose. Except as expressly provided in Section 4(d), none of the parties hereto shall have the right to bind the others to any agreement with a third party or to represent itself as a partner or joint venturer of the other by reason of this Agreement.

16. Force Majeure. Neither party hereto shall be in default of this Agreement by reason of its delay in the performance of, or failure to perform, any of its obligations hereunder if such delay or failure is caused by strikes, acts of God, acts of the public enemy, acts of terrorism, riots or other events that arise from circumstances beyond the reasonable control of that party. During the pendency of such intervening event, each of the parties hereto shall take all reasonable steps to fulfill its obligations hereunder by other means and, in any event, shall upon termination of such intervening event, promptly resume its obligations under this Agreement.

17. Waiver of Jury Trial. EACH PARTY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES (TO THE EXTENT PERMITTED BY APPLICABLE LAW) ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY OF ANY DISPUTE ARISING UNDER OR RELATING TO THIS AGREEMENT AND AGREES THAT ANY SUCH DISPUTE SHALL BE TRIED BEFORE A JUDGE SITTING WITHOUT A JURY.

\* \* \* \* \*

IN WITNESS WHEREOF, the parties have caused this Transition Services Agreement to be executed as of the date first written above by their duly authorized representatives.

**OCWEN FINANCIAL CORPORATION**

By \_\_\_\_\_  
Name:  
Title:

**ALTISOURCE SOLUTIONS S.À R.L.**

By \_\_\_\_\_  
Name:  
Title:

**SCHEDULE I**  
**OCWEN-PROVIDED SERVICES**

<u>Services Provided</u>	<u>Service Period (months)</u>	<u>Service Fee</u>
<b>FINANCE AND ACCOUNTING</b>	12	Fully Allocated Cost of providing services.
<u>Services Provided:</u>		
<ul style="list-style-type: none"><li>• Corporate Accounting</li><li>• Accounts Payables</li><li>• Accounts Receivables</li><li>• Corporate Secretary Support</li><li>• Financial Reporting</li><li>• Payroll Services</li><li>• Tax</li><li>• Treasury</li></ul>		
<b>HUMAN RESOURCES</b>	24	Fully Allocated Cost of providing services.
<u>Services Provided:</u>		
<ul style="list-style-type: none"><li>• Benefits Administration</li><li>• Employee and Contractor On-boarding</li><li>• Employee Engagement</li><li>• HR Administration</li><li>• HR Strategy and Consulting</li><li>• HRIS Administration and Reporting</li><li>• Performance Management Platforms</li><li>• Personnel Files</li><li>• Recruiting</li><li>• Salary Administration</li><li>• Training and Compliance Support</li></ul>		

---

<u>Services Provided</u>	<u>Service Period (months)</u>	<u>Service Fee</u>
<b>LAW</b> <u>Services Provided:</u> <ul style="list-style-type: none"> <li>• Contract Review Services</li> <li>• Corporate Governance Services</li> <li>• Intellectual Property Maintenance Services</li> <li>• License Maintenance Services</li> <li>• Litigation Management</li> <li>• Regulatory Compliance Services</li> </ul>	24	Fully allocated cost of providing services.
<b>RISK MANAGEMENT</b> <u>Services Provided:</u> <ul style="list-style-type: none"> <li>• Internal Audit</li> <li>• SOX Compliance and SAS 70</li> <li>• Business continuity and Disaster Recovery Planning</li> </ul>	24	Fully Allocated Cost of providing services.
<b>OTHER OPERATIONS SUPPORT</b> <ul style="list-style-type: none"> <li>• Capital Markets</li> <li>• Modeling</li> <li>• Quantitative Analytics</li> <li>• General Business Consulting</li> </ul>	24	Fully Allocated Cost of providing services.

**SCHEDULE II**  
**ALTISOURCE-PROVIDED SERVICES**

<u>Services Provided</u>	<u>Service Period (months)</u>	<u>Service Fee</u>
<b>CONSUMER PSYCHOLOGY</b> <u>Services Provided:</u> <ul style="list-style-type: none"><li>• Scripting Support</li><li>• Staffing Models</li><li>• Training Development</li><li>• User and Task Analysis</li></ul>	24	Fully Allocated Cost of providing services.
<b>CORPORATE SERVICES</b> <u>Services Provided:</u> <ul style="list-style-type: none"><li>• Facilities Management</li><li>• Mailroom Support</li><li>• Physical Security</li><li>• Travel Services</li></ul>	24	Fully Allocated Cost of providing services.
<b>FINANCE AND ACCOUNTING</b> <u>Services Provided:</u> <ul style="list-style-type: none"><li>• Accounting Services and Reporting</li><li>• Accounts Payables</li><li>• Accounts Receivables</li><li>• Corporate Secretary Support</li><li>• Financial Reporting</li><li>• Payroll Services</li><li>• Tax</li><li>• Treasury</li></ul>	12	Fully Allocated Cost of providing services.

---

Services Provided	Service Period (months)	Service Fee
<b>HUMAN RESOURCES</b> <u>Services Provided:</u> <ul style="list-style-type: none"> <li>• Benefits Administration</li> <li>• Employee and Contractor On-boarding</li> <li>• Employee Engagement</li> <li>• HR Administration</li> <li>• HR Strategy and Consulting</li> <li>• HRIS Administration and Reporting</li> <li>• Performance Management Platforms</li> <li>• Personnel Files</li> <li>• Recruiting</li> <li>• Salary Administration</li> <li>• Training and Compliance Support</li> </ul>	24	Fully Allocated Cost of providing services.
<b>RISK MANAGEMENT AND SIX SIGMA</b> <u>Services Provided:</u> <ul style="list-style-type: none"> <li>• Information Security</li> <li>• Internal Audit</li> <li>• Loan Quality</li> <li>• Quality Assurance</li> <li>• Risk Management</li> <li>• SOX Compliance and SAS 70</li> <li>• Six Sigma</li> <li>• <u>Business Continuity and Disaster Recovery Planning</u></li> </ul>	24	Fully Allocated Cost of providing services.

<u>Services Provided</u>	<u>Service Period (months)</u>	<u>Service Fee</u>
<b>VENDOR MANAGEMENT OPERATIONS</b> <u>Services Provided:</u> <ul style="list-style-type: none"> <li>• Contract Negotiation</li> <li>• Vendor Compliance</li> <li>• Vendor Management Services</li> <li>• Insurance Risk Management</li> </ul>	24	Fully Allocated Cost of providing services.
<b>OTHER OPERATIONS SUPPORT</b> <ul style="list-style-type: none"> <li>• Capital Markets</li> <li>• Modeling</li> <li>• <u>Quantitative Analytics</u></li> <li>• <u>General Business Consulting</u></li> </ul>	24	Fully Allocated Cost of providing services



TAX MATTERS AGREEMENT

By and Between

OCWEN FINANCIAL CORPORATION

and

ALTISOURCE SOLUTIONS S.À R.L.

Dated as of [ ], 2009

---

---

TABLE OF CONTENTS

		Page
ARTICLE I	DEFINITION OF TERMS	1
ARTICLE II	ALLOCATION OF TAX LIABILITIES	9
	SECTION 2.01	9
	SECTION 2.02	9
	SECTION 2.03	9
ARTICLE III	PRORATION OF TAX ITEMS	10
ARTICLE IV	PREPARATION AND FILING OF TAX RETURNS	10
	SECTION 4.01	10
	SECTION 4.02	10
	SECTION 4.03	11
	SECTION 4.04	11
	SECTION 4.05	11
	SECTION 4.06	11
	SECTION 4.07	12
	SECTION 4.08	12
ARTICLE V	TAX PAYMENTS	13
	SECTION 5.01	13
	SECTION 5.02	13
ARTICLE VI	TAX BENEFITS	14
	SECTION 6.01	14
	SECTION 6.02	14
	SECTION 6.03	15
ARTICLE VII	TAX-FREE STATUS	15
	SECTION 7.01	15
	SECTION 7.02	15
	SECTION 7.03	18
ARTICLE VIII	ASSISTANCE AND COOPERATION	19
	SECTION 8.01	19
	SECTION 8.02	20

**TABLE OF CONTENTS**  
**(continued)**

	<b>Page</b>
SECTION 8.03 Reliance	20
ARTICLE IX TAX RECORDS	21
SECTION 9.01 Retention of Tax Records	21
SECTION 9.02 Access to Tax Records	21
ARTICLE X TAX CONTESTS	21
SECTION 10.01 Notice	21
SECTION 10.02 Control of Tax Contests	21
ARTICLE XI EFFECTIVE DATE; TERMINATION OF PRIOR INTERCOMPANY TAX ALLOCATION AGREEMENTS	22
ARTICLE XII SURVIVAL OF OBLIGATIONS	22
ARTICLE XIII TREATMENT OF PAYMENTS; TAX GROSS UP	22
SECTION 13.01 Treatment of Tax Indemnity and Tax Benefit Payments	22
SECTION 13.02 Tax Gross Up	23
SECTION 13.03 Interest Under This Agreement	23
ARTICLE XIV DISAGREEMENTS	23
ARTICLE XV LATE PAYMENTS	24
ARTICLE XVI EXPENSES	24
ARTICLE XVII GENERAL PROVISIONS	24
SECTION 17.01 Addresses and Notices	24
SECTION 17.02 Binding Effect	25
SECTION 17.03 Waiver	25
SECTION 17.04 Severability	25
SECTION 17.05 Authority	25
SECTION 17.06 Further Action	26
SECTION 17.07 Integration	26
SECTION 17.08 Construction	26
SECTION 17.09 No Double Recovery	26
SECTION 17.10 Counterparts	26
SECTION 17.11 Governing Law	26
SECTION 17.12 Jurisdiction	26

**TABLE OF CONTENTS**  
**(continued)**

		<b>Page</b>
SECTION 17.13	Amendment	27
SECTION 17.14	Altisource Subsidiaries	27
SECTION 17.15	Successors	27
SECTION 17.16	Injunctions	27

TAX MATTERS AGREEMENT (this "Agreement") entered into as of [ ], 2009, by and between OCWEN FINANCIAL CORPORATION, a Florida corporation ("OFC"), and ALTISOURCE SOLUTIONS S.À R.L., a private limited liability company organized under the laws of the Grand Duchy of Luxembourg and an indirect wholly-owned subsidiary of OFC ("Altisource").

WHEREAS, the board of directors of OFC has determined that it is in the best interests of OFC and its shareholders to separate the Altisource Business (as defined below) from OFC.

WHEREAS, as of the date hereof, OFC is the common parent of an affiliated group of corporations, including Altisource, which has elected to file consolidated United States Federal income tax returns;

WHEREAS, OFC and Altisource have entered into the Separation Agreement (as defined below), pursuant to which OFC agreed to contribute and otherwise transfer to Altisource, and Altisource agreed to receive and assume, the assets and liabilities then associated with the Altisource Business.

WHEREAS, OFC intends to distribute to shareholders of OFC all the outstanding shares of Altisource Capital Stock;

WHEREAS, pursuant to the Distribution (as defined in the Separation Agreement), Altisource and its subsidiaries will cease to be members of the affiliated group (as that term is defined in Section 1504 of the Code (as defined below)) of which OFC is the common parent; and

WHEREAS the Companies (as defined below) desire to provide for and agree upon the allocation between the Companies of liabilities for Taxes (as defined below) arising prior to, as a result of, and subsequent to the Distribution, and to provide for and agree upon other matters relating to Taxes.

NOW, THEREFORE, in consideration of the mutual agreements contained herein, the Companies hereby agree as follows:

#### ARTICLE I

##### Definition of Terms

For purposes of this Agreement (including the recitals hereof), the following terms have the following meanings, and capitalized terms used but not otherwise defined herein shall have the meaning ascribed to them in the Separation Agreement:

"Accountant" shall have the meaning set forth in Section 8.02(b).

"Accounting Cutoff Date" means, with respect to Altisource, any date as of the end of which there is a closing of the financial accounting records for Altisource.

---

“Active Trade or Business” means the active conduct (within the meaning of Section 355(b) of the Code and the regulations thereunder) by Altisource of the Altisource Business.

“Adjustment Request” means any formal or informal claim or request filed with any Tax Authority, or with any administrative agency or court, for the adjustment, refund or credit of Taxes, including (a) any amended Tax Return claiming adjustment to the Taxes as reported on the Tax Return or, if applicable, as previously adjusted, (b) any claim for equitable recoupment or other offset and (c) any claim for refund or credit of Taxes previously paid.

“Affiliate” means any entity that is directly or indirectly “controlled” by either the person in question or an Affiliate of such person. For purposes of the definition of “Affiliate,” “control” means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a person, whether through ownership of voting securities, by contract or otherwise.

“Agreement” shall have the meaning provided in the first sentence of this Agreement.

“Altisource” shall have the meaning provided in the first sentence of this Agreement.

“Altisource Affiliated Group” shall have the meaning provided in the definition of “Altisource Federal Consolidated Income Tax Return.”

“Altisource Business” means the knowledge process outsourcing business, as defined in the Separation Agreement.

“Altisource Capital Stock” means all classes or series of capital stock of Altisource, including (i) the Altisource Common Stock, (ii) all options, warrants and other rights to acquire such capital stock and (iii) all instruments properly treated as stock in Altisource for U.S. Federal income tax purposes.

“Altisource Carryback” means any net operating loss, net capital loss, excess tax credit or other similar Tax item of any member of the Altisource Group that may or must be carried from one Tax Period to another prior Tax Period under the Code or other applicable Tax Law.

“Altisource Common Stock” has the meaning set forth in the Separation and Distribution Agreement.

“Altisource Federal Consolidated Income Tax Return” means any United States (or any foreign country) Federal income Tax Return for the affiliated group (as that term is defined in Section 1504 of the Code) of which Altisource (or a subsidiary thereof) is the common parent (the “Altisource Affiliated Group”).

“Altisource Group” means Altisource and its Subsidiaries, as determined immediately after the Distribution.

“Altisource Separate Return” means any Separate Return of Altisource or any member of the Altisource Group.

“Ancillary Agreements” means the Employee Matters Agreement, the Transition Services Agreement, the Tax Matters Agreement, the Intellectual Property Agreement, the Data Center and Disaster Recovery Agreement, the Services Agreements and any instruments, assignments and other documents and agreements executed in connection with the implementation of the transactions contemplated by the Separation Agreement, including Article II.

“Base Rate” shall be the rate as set forth in Article XV.

“Board Certificate” shall have the meaning set forth in Section 7.02(d).

“Closing Date” means the date of the Distribution.

“Code” means the U.S. Internal Revenue Code of 1986, as amended.

“Companies” means OFC and Altisource, collectively, and “Company,” as the context requires, means either OFC or Altisource.

“Contribution” means the contribution of assets and liabilities by OFC itself directly to Altisource itself pursuant to Sections 2.01, 2.02, 2.03, 2.04 and 2.05 of the Separation Agreement.

“Distribution” has the meaning set forth in the Separation Agreement.

“Distribution-Related Proceeding” means any Tax Contest in which the IRS, another Tax Authority or any other party asserts a position that could reasonably be expected to adversely affect the Tax-Free Status.

“Fifty-Percent or Greater Interest” shall have the meaning ascribed to such term for purposes of Sections 355(d) and (e) of the Code.

“Filing Date” shall have the meaning set forth in Section 7.03(c).

“Final Determination” means the final resolution of liability for any Tax, which resolution may be for a specific issue or adjustment or for a taxable period, (a) by IRS Form 870 or 870-AD (or any successor forms thereto), on the date of acceptance by or on behalf of the taxpayer, or by a comparable form under the laws of a State, local, or foreign taxing jurisdiction, except that a Form 870 or 870-AD or comparable form shall not constitute a Final Determination to the extent that it reserves (whether by its terms or by operation of law) the right of the taxpayer to file a claim for refund or the right of the Tax Authority to assert a further deficiency in respect of such issue or adjustment or for such taxable period (as the case may be); (b) by a decision, judgment, decree or other order by a court of competent jurisdiction, which has become final and unappealable; (c) by a closing agreement or accepted offer in compromise under Sections 7121 or 7122 of the Code, or a comparable agreement under the laws of a State, local or foreign taxing jurisdiction; (d) by any allowance of a refund or credit in respect of an

overpayment of Tax, but only after the expiration of all periods during which such refund may be recovered (including by way of offset) by the jurisdiction imposing such Tax; (e) by a final settlement resulting from a treaty-based competent authority determination; or (f) by any other final disposition, including by reason of the expiration of the applicable statute of limitations or by mutual agreement of the parties.

“Group” means the OFC Group or the Altisource Group, or both, as the context requires.

“High-Level Dispute” means any dispute or disagreement (a) relating to liability under Section 7.03 of this Agreement or (b) in which the amount of the liability in dispute exceeds [\$2 million].

“Indemnitee” shall have the meaning set forth in Section 13.03.

“Indemnitor” shall have the meaning set forth in Section 13.03.

“IRS” means the United States Internal Revenue Service.

“Joint Return” means any Tax Return that includes at least one member of the OFC Group and at least one member of the Altisource Group.

“Notified Action” shall have the meaning set forth in Section 7.02(e).

“OFC” shall have the meaning provided in the first sentence of this Agreement.

“OFC Affiliated Group” shall have the meaning provided in the definition of “OFC Federal Consolidated Income Tax Return.”

“OFC Federal Consolidated Income Tax Return” means any United States Federal income Tax Return for the affiliated group (as that term is defined in Section 1504 of the Code and the regulations thereunder) of which OFC is the common parent (the “OFC Affiliated Group”).

“OFC Group” means OFC and its Subsidiaries, excluding any entity that is a member of the Altisource Group.

“OFC Separate Return” means any Separate Return of OFC or any member of the OFC Group.

“OFC State Combined Income Tax Return” means a consolidated, combined or unitary State Income Tax Return that actually includes, by election or otherwise, one or more members of the OFC Group together with one or more members of the Altisource Group.

“Past Practices” shall have the meaning set forth in Section 4.04(a).

“Payment Date” means (i) with respect to any OFC Federal Consolidated Income Tax Return, the due date for any required installment of estimated taxes determined under



Section 6655 of the Code, the due date (determined without regard to extensions) for filing the return determined under Section 6072 of the Code, and the date the return is filed, and (ii) with respect to any other Tax Return, the corresponding dates determined under the applicable Tax Law.

“Person” means an individual, a partnership, a corporation, a limited liability company, an association, a joint stock company, a trust, a joint venture, an unincorporated organization and a governmental entity or any department, agency or political subdivision thereof, without regard to whether any entity is treated as disregarded for U.S. Federal income tax purposes.

“Post-Closing Period” means any Tax Period that, to the extent it relates to a member of the Altisource Group, begins after the Closing Date.

“Pre-Closing Period” means any Tax Period that, to the extent it relates to a member of the Altisource Group, ends on or before the Closing Date.

“Privilege” means any privilege that may be asserted under applicable law, including any privilege arising under or relating to the attorney-client relationship (including the attorney-client and work product privileges), the accountant-client privilege and any privilege relating to internal evaluation processes.

“Proposed Acquisition Transaction” means a transaction or series of transactions (or any agreement, understanding or arrangement, within the meaning of Section 355(e) of the Code and Treasury Regulation Section 1.355-7, or any other regulations promulgated thereunder, to enter into a transaction or series of transactions), whether such transaction is supported by Altisource management or shareholders, is a hostile acquisition, or otherwise, as a result of which Altisource would merge or consolidate with any other Person or as a result of which one or more Persons would (directly or indirectly) acquire, or have the right to acquire, from Altisource and/or one or more holders of outstanding shares of Altisource Capital Stock, a number of shares of Altisource Capital Stock that would, when combined with any other changes in ownership of Altisource Capital Stock pertinent for purposes of Section 355(e) of the Code, comprise 40% or more of (A) the value of all outstanding shares of stock of Altisource as of the date of such transaction, or in the case of a series of transactions, the date of the last transaction of such series, or (B) the total combined voting power of all outstanding shares of voting stock of Altisource as of the date of such transaction or, in the case of a series of transactions, the date of the last transaction of such series. Notwithstanding the foregoing, a Proposed Acquisition Transaction shall not include (A) the adoption by Altisource of a shareholder rights plan or (B) issuances by Altisource that satisfy Safe Harbor VIII (relating to acquisitions in connection with a person’s performance of services) or Safe Harbor IX (relating to acquisitions by a retirement plan of an employer) of Treasury Regulation Section 1.355-7(d). For purposes of determining whether a transaction constitutes an indirect acquisition, any recapitalization resulting in a shift of voting power or any redemption of shares of stock shall be treated as an indirect acquisition of shares of stock by the non-exchanging shareholders. This definition and the application thereof is intended to monitor compliance with Section 355(e) of the Code and shall be interpreted accordingly. Any clarification of, or change in, the statute or regulations promulgated under Section 355(e) of the Code shall be incorporated in this definition and its interpretation.

“Representation Letters” means the representation letters and any other materials delivered or deliverable by OFC, Altisource or others in connection with the rendering by Tax Advisors of any opinions in connection with the Transactions.

“Responsible Company” means, with respect to any Tax Return, the Company having responsibility for preparing and filing such Tax Return under this Agreement.

“Ruling” means any private letter ruling issued by the IRS in connection with the Transactions or any similar ruling (including any supplemental ruling) issued by any Tax Authority other than the IRS in connection with the Transactions.

“Section 7.02(d) Acquisition Transaction” means any transaction or series of transactions that is not a Proposed Acquisition Transaction but would be a Proposed Acquisition Transaction if the percentage reflected in the definition of Proposed Acquisition Transaction were 25% instead of 40%.

“Separate Return” means (a) in the case of any Tax Return of any member of the Altisource Group (including any consolidated, combined or unitary return), any such Tax Return that does not include any member of the OFC Group and (b) in the case of any Tax Return of any member of the OFC Group (including any consolidated, combined or unitary return), any such Tax Return that does not include any member of the Altisource Group.

“Separation Agreement” means the Separation and Distribution Agreement, as amended from time to time, by and between OFC and Altisource dated as of [            ], 2009.

“Signing Group” shall have the meaning set forth in Section 8.03.

“State Income Tax” means any Tax imposed by any State of the United States or by any political subdivision of any such State (or by the District of Columbia) that is imposed on or measured by net income, including state and local franchise or similar Taxes measured by net income, and any interest, penalties, additions to tax or additional amounts in respect of the foregoing.

“Supplier Group” shall have the meaning set forth in Section 8.03.

“Tax” or “Taxes” means any income, gross income, gross receipts, profits, capital stock, franchise, withholding, payroll, social security, workers compensation, unemployment, disability, property, ad valorem, stamp, excise, severance, occupation, service, sales, use, license, lease, transfer, import, export, value added, alternative minimum, estimated or other tax (including any fee, assessment or other charge in the nature of or in lieu of any tax) imposed by any governmental entity or political subdivision thereof, and any interest, penalties, additions to tax, or additional amounts in respect of the foregoing.

“Tax Advisor” means a United States tax counsel or accountant of recognized national standing.

“Tax Arbitrator” shall have the meaning set forth in Article XIV.

“Tax Arbitrator Dispute” shall have the meaning set forth in Article XIV.

“Tax Attribute” or “Attribute” means a net operating loss, net capital loss, unused investment credit, unused foreign tax credit, excess charitable contribution, general business credit, Tax basis or any other Tax Item that could reduce a Tax.

“Tax Authority” means, with respect to any Tax, the governmental entity or political subdivision thereof that imposes such Tax, and the agency (if any) charged with the collection of such Tax for such entity or subdivision.

“Tax Benefit” means any refund, credit or other reduction in otherwise required Tax payments.

“Tax Contest” means an audit, review, examination or other administrative or judicial proceeding with the purpose or effect of redetermining Taxes (including any administrative or judicial review of any claim for refund).

“Tax Detriment” means any increase in required Tax payments (or, without duplication, the reduction in any refund or credit).

“Tax-Free Status” means the qualifications of (i) the Distribution and Contribution, taken together, as a reorganization described in Sections 355(a) and 368(a)(1)(D) of the Code, and (ii) the Transactions in which OFC, Altisource and the shareholders of OFC recognize no income or gain for U.S. federal income tax purposes, other than in the case of the shareholders of OFC, to the extent of any cash received in exchange for fractional shares, and in the case of OFC, taxation under Section 367 of the Code.

“Tax Item” means, with respect to any income Tax, any item of income, gain, loss, deduction or credit.

“Tax Law” means the law of any governmental entity or political subdivision thereof relating to any Tax.

“Tax Opinions” means the opinions of Tax Advisors deliverable to OFC in connection with the Transactions.

“Tax Period” means, with respect to any Tax, the period for which the Tax is reported as provided under the Code or other applicable Tax Law.

“Tax Records” means Tax Returns, Tax Return workpapers, documentation relating to any Tax Contests and any other books of account or records required to be maintained under the Code or other applicable Tax Laws or under any record retention agreement with any Tax Authority.

“Tax-Related Losses” means (i) all Federal, state and local Taxes (including interest and penalties thereon) imposed pursuant to any settlement, Final Determination, judgment or otherwise; (ii) all reasonable accounting, legal and other professional fees and court costs incurred in connection with such Taxes; and (iii) all reasonable costs and expenses and all

damages associated with shareholder litigation or controversies and any amount paid by OFC (or any Affiliate of OFC) or Altisource (or any Affiliate of Altisource) in respect of the liability of shareholders, whether paid to shareholders or to the IRS or any other Tax Authority, in each case, resulting from the failure of the Transactions to have Tax-Free Status.

“Tax Return” or “Return” means any report of Taxes due, any claim for refund of Taxes paid, any information return with respect to Taxes, or any other similar report, statement, declaration or document required to be filed under the Code or other Tax Law, including any attachments, exhibits or other materials submitted with any of the foregoing, and including any amendments or supplements to any of the foregoing.

“Transactions” means the Distribution, Contribution and the other transactions contemplated by the Separation Agreement.

“Treasury Regulations” means the regulations promulgated from time to time under the Code as in effect for the relevant Tax Period.

“Unqualified Tax Opinion” means an opinion of a Tax Advisor, which Tax Advisor is reasonably acceptable to OFC, on which OFC may rely to the effect that a transaction will not affect the Tax-Free Status. Any such opinion must assume that the Transactions would have qualified for Tax-Free Status if the transaction in question did not occur.

## ARTICLE II

### Allocation of Tax Liabilities

SECTION 2.01 General Rule. (a) OFC Liability. OFC shall be liable for, and shall indemnify and hold harmless the Altisource Group from and against any liability for, Taxes that are allocated to OFC under this Article II.

(b) Altisource Liability. Altisource shall be liable for, and shall indemnify and hold harmless the OFC Group from and against any liability for, Taxes that are allocated to Altisource under this Article II.

SECTION 2.02 Allocations of Taxes. Except as provided in Section 2.03, Taxes shall be allocated as follows:

(a) Allocation of Taxes to OFC. OFC shall be responsible for:

(i) any and all Taxes due or required to be reported on any Joint Return or OFC Separate Return (including any increase in such Tax as a result of a Final Determination); and

(b) Allocation of Taxes to Altisource. Altisource shall be responsible for any and all Taxes due or required to be reported on any Altisource Separate Return (including any increase in such Tax as a result of a Final Determination)

SECTION 2.03 Certain Transaction and Other Taxes. (a) Altisource Liability. Altisource shall be liable for, and shall indemnify and hold harmless the OFC Group from and against any liability for:

- (i) any Tax resulting from a breach by Altisource of any covenant in this Agreement, the Separation Agreement or any Ancillary Agreement; and
- (ii) any Tax-Related Losses for which Altisource is responsible pursuant to Section 7.03

(b) OFC Liability. OFC shall be liable for, and shall indemnify and hold harmless the Altisource Group from and against any liability for:

- (i) any Taxes imposed pursuant to Treasury Regulation Section 1.1502-6 (or any similar provision of foreign, State or local Tax law) on any member of the Altisource Group solely as a result of such member's being a member of the OFC Affiliated Group (or similar group under foreign, State or local Tax law);
- (ii) any Taxes imposed pursuant to Section 367 of the Code and the Treasury Regulations thereunder as a consequence of the Transactions;
- (iii) any Tax resulting from a breach by OFC of any covenant in this Agreement, the Separation Agreement or any Ancillary Agreement; and
- (iv) any Tax-Related Losses for which OFC is responsible pursuant to Section 7.03.

### ARTICLE III

#### Proration of Tax Items

(a) General Method of Proration. Tax Items shall be apportioned between Pre-Closing Periods and Post-Closing Periods in accordance with the principles of Treasury Regulation Section 1.1502-76(b) as reasonably interpreted and applied by OFC. No election shall be made under Treasury Regulation Section 1.1502-76(b)(2)(ii) (relating to ratable allocation of a year's items). If the Closing Date is not an Accounting Cutoff Date, the provisions of Treasury Regulation Section 1.1502-76(b)(2)(iii) will be applied to allocate ratably the items (other than extraordinary items) for the month that includes the Closing Date.

(b) Transactions Treated as Extraordinary Items. In determining the apportionment of Tax Items between Pre-Closing Periods and Post-Closing Periods, any Tax Items relating to the Transactions shall be treated as extraordinary items described in Treasury Regulation Section 1.1502-76(b)(2)(ii)(C) and shall (to the extent occurring on or prior to the Closing Date) be allocated to Pre-Closing Periods, and any Taxes related to such items shall be treated under Treasury Regulation Section 1.1502-76(b)(2)(iv) as relating to such extraordinary items and shall (to the extent occurring on or prior to the Closing Date) be allocated to Pre-Closing Periods.

ARTICLE IV

Preparation and Filing of Tax Returns

SECTION 4.01 General. Except as otherwise provided in this Article IV, Tax Returns shall be prepared and filed when due (including extensions) by the person obligated to file such Tax Returns under the Code or applicable Tax Law. The Companies shall provide, and shall cause their Affiliates to provide, assistance and cooperation to one another in accordance with Article VIII with respect to the preparation and filing of Tax Returns, including providing information required to be provided in Article VIII.

SECTION 4.02 OFC's Responsibility. OFC has the exclusive obligation and right to prepare and file, or to cause to be prepared and filed:

(a) OFC Federal Consolidated Income Tax Returns for all Tax Periods;

(b) OFC State Combined Income Tax Returns and any other Joint Returns that OFC reasonably determines are required to be filed (or that OFC chooses to be filed) by the Companies or any of their Affiliates for all Tax Periods; provided, however, that OFC shall provide written notice (no later than 60 days prior to the date such Returns are due, including extensions) of such determination to file such OFC State Combined Income Tax Returns or other Joint Returns to Altisource; and

(c) OFC Separate Returns and Altisource Separate Returns that OFC reasonably determines are required to be filed by the Companies or any of their Affiliates for Tax Periods ending on, before or after the Closing Date (limited, in the case of Altisource Separate Returns, to such Returns as are filed on or prior to the Closing Date).

SECTION 4.03 Altisource's Responsibility. Altisource shall prepare and file, or shall cause to be prepared and filed, all Altisource Separate Returns other than those Tax Returns filed on or prior to the Closing Date. The Tax Returns required to be prepared and filed by Altisource under this Section 4.03 shall include (a) any Altisource Federal Consolidated Income Tax Return and (b) Altisource Separate Returns required to be filed for Tax Periods ending after the Closing Date.

SECTION 4.04 Tax Accounting Practices. (a) General Rule. Except as provided in Section 4.04(b), with respect to any Tax Return that Altisource has the obligation and right to prepare and file, or cause to be prepared and filed, under Section 4.03, for any Pre-Closing Period (and the portion, ending on the Closing Date, of any Tax Period that includes but does not end on the Closing Date), such Tax Return shall be prepared in accordance with past practices, accounting methods, elections or conventions ("Past Practices") used by OFC and its Subsidiaries with respect to the Tax Returns in question (unless there is no reasonable basis for the use of such Past Practices) solely to the extent a change in such Past Practice could reasonably be expected to cause OFC to incur a Tax Detriment, and to the extent any items are not covered by Past Practices (or in the event that there is no reasonable basis for the use of such Past Practices), in accordance with reasonable Tax accounting practices. Except as provided in Section 4.04(b), OFC shall prepare any Tax Return that it has the obligation and right to prepare

and file, or cause to be prepared and filed, under Section 4.02, in accordance with reasonable Tax accounting practices selected by OFC.

(b) Reporting of Transaction Tax Items. Altisource and OFC shall file all Tax Returns consistent with the Tax treatment of the Transactions set forth in the Tax Opinions. To the extent there is a Tax treatment relating to the Transactions that is not covered by the Tax Opinions, the Tax treatment shall be determined by OFC with respect to such Tax Return, and Altisource shall agree to such treatment and shall file all Tax Returns for which it is responsible consistently with such treatment, unless either (i) there is no reasonable basis for such Tax treatment or (ii) such Tax treatment is inconsistent with the Tax treatment contemplated in the Tax Opinions.

(c) Detrimental Tax Positions. Neither Altisource nor OFC shall take a position on any Tax Return that is reasonably expected to cause a Tax Detriment to the other party without agreeing first in writing to bear all Tax-Related Losses associated with such Tax Detriment.

SECTION 4.05 Consolidated or Combined Tax Returns. Altisource shall elect and join, and shall cause its respective Affiliates to elect and join, in filing any OFC State Combined Income Tax Returns and any Joint Returns that OFC files pursuant to Section 4.02(b).

SECTION 4.06 Right to Review Tax Returns. (a) General. The Responsible Company with respect to any material Tax Return shall make such Tax Return and related workpapers available for review by the other Company, if requested, to the extent (i) such Tax Return relates to Taxes for which the requesting party would reasonably be expected to be liable, (ii) the requesting party would reasonably be expected to be liable in whole or in part for any additional Taxes owing as a result of adjustments to the amount of such Taxes reported on such Tax Return, (iii) such Tax Return relates to Taxes for which the requesting party would reasonably be expected to have a claim for Tax Benefits under this Agreement or (iv) the requesting party reasonably determines that it must inspect such Tax Return to confirm compliance with the terms of this Agreement. The Responsible Company shall use reasonable best efforts to make such Tax Return available for review, including by delivering such materials to the requesting party at the requesting party's expense, as required under this paragraph sufficiently in advance of the due date (including extensions) for filing of such Tax Return to provide the requesting party with a meaningful opportunity to analyze and comment on such Tax Return.

(b) Execution of Returns Prepared by Other Party. In the case of any Tax Return that is required to be prepared and filed by the Responsible Company under this Agreement and that is required by law to be signed by the other Company (or by its authorized representative), the Company that is legally required to sign such Tax Return shall be required to sign such Tax Return unless there is no reasonable basis for the Tax treatment of an item reported on the Tax Return or the Tax treatment of an item reported on the Tax Return should, in the opinion (reasonably acceptable in form and substance to the Responsible Company) of a Tax Advisor, subject the other Company (or its authorized representatives) to material penalties.

SECTION 4.07 Altisource Carrybacks and Claims for Refund. (a) Altisource hereby agrees that, unless OFC consents in writing, no Adjustment Request with respect to any Tax Return for the Pre-Closing Period shall be filed; provided, however, that upon the reasonable request of Altisource, OFC shall use reasonable best efforts to make, at Altisource's expense, an Adjustment Request claiming a refund of Taxes for the Pre-Closing Period with respect to a Altisource Carryback arising in a Post-Closing Period related to U.S. Federal or State Taxes (any such Adjustment Request to be prepared and filed by OFC) where, in OFC's reasonable discretion, such Adjustment Request will not materially impair the ability of OFC to use Tax Attributes. OFC shall not take any action that would impair the use of any Tax Attribute by a member of the Altisource Group without the prior written consent of Altisource.

(b) Altisource, upon the request of OFC, agrees to repay the amount paid over to Altisource (plus any penalties, interest or other charges imposed by the relevant Tax Authority) in the event OFC is required to repay such refund to such Tax Authority.

SECTION 4.08 Apportionment of Earnings and Profits and Tax Attributes. OFC shall in good faith advise Altisource in writing of the portion, if any, of any earnings and profits, Tax Attribute or other consolidated, combined or unitary attribute that OFC determines shall be allocated or apportioned to the Altisource Group under applicable law. Altisource and all members of the Altisource Group shall prepare all Tax Returns in accordance with such written notice. As soon as practicable after receipt of a written request from Altisource, OFC shall provide copies of any studies, reports and workpapers supporting such allocations and apportionments. In the event of a subsequent adjustment by the applicable Tax Authority to such allocations and apportionments, OFC shall promptly notify Altisource in writing of such adjustment. For the avoidance of doubt, OFC shall not be liable to any member of the Altisource Group for any failure of any determination under this Section 4.08 to be accurate under applicable Tax Law.

## ARTICLE V

### Tax Payments

SECTION 5.01 Payment of Taxes With Respect to Tax Returns Reflecting Taxes of the Other Company. In the case of any Tax Return reflecting Taxes allocated hereunder to the Company that is not the Responsible Company:

(a) Computation and Payment of Tax Due. At least 3 business days prior to any Payment Date for any Tax Return, the Responsible Company shall compute the amount of Tax required to be paid to the applicable Tax Authority (taking into account the requirements of Section 4.04 relating to consistent accounting practices) with respect to such Tax Return on such Payment Date. The Responsible Company shall pay such amount to such Tax Authority on or before such Payment Date (and provide notice and proof of payment to the other Company).

(b) Computation and Payment of Liability With Respect to Tax Due. Within 30 days following the earlier of (i) the due date (including extensions) for filing any such Tax Return (excluding any Tax Return with respect to payment of estimated Taxes or Taxes due with a request for extension of time to file) or (ii) the date on which such Tax Return is filed, if OFC



is the Responsible Company, then Altisource shall pay to OFC the amount allocable to the Altisource Group under the provisions of Article II, and if Altisource is the Responsible Company, then OFC shall pay to Altisource the amount allocable to the OFC Group under the provisions of Article II, in each case, plus interest computed at the Base Rate on the amount of the payment based on the number of days from the earlier of (A) the due date of the Tax Return (including extensions) or (B) the date on which such Tax Return is filed to the date of payment.

(c) Adjustments Resulting in Underpayments. In the case of any adjustment pursuant to a Final Determination with respect to any such Tax Return, the Responsible Company shall pay to the applicable Tax Authority when due any additional Tax due with respect to such Tax Return required to be paid as a result of such adjustment pursuant to a Final Determination. The Responsible Company shall compute the amount attributable to the Altisource Group in accordance with Article II and Altisource shall pay to OFC any amount due OFC (or OFC shall pay Altisource any amount due Altisource) under Article II within 30 days from the later of (i) the date the additional Tax was paid by the Responsible Company or (ii) the date of receipt of a written notice and demand from the Responsible Company for payment of the amount due, accompanied by evidence of payment and a statement detailing the Taxes paid and describing in reasonable detail the particulars relating thereto. Any payments required under this Section 5.01(c) shall include interest computed at the Base Rate based on the number of days from the date the additional Tax was paid by the Responsible Company to the date of the payment under this Section 5.01(c).

SECTION 5.02 Indemnification Payments. All indemnification payments under this Agreement shall be made by OFC directly to Altisource and by Altisource directly to OFC; provided, however, that if the Companies mutually agree with respect to any such indemnification payment, any member of the OFC Group, on the one hand, may make such indemnification payment to any member of the Altisource Group, on the other hand, and vice versa.

## ARTICLE VI

### Tax Benefits

SECTION 6.01 Tax Refunds in General. Except as set forth below, OFC shall be entitled to any refund (and any interest thereon received from the applicable Tax Authority) of Taxes for which OFC is liable hereunder, Altisource shall be entitled to any refund (and any interest thereon received from the applicable Tax Authority) of Taxes for which Altisource is liable hereunder and a Company receiving a refund to which another Company is entitled hereunder shall pay over such refund to such other Company within 30 days after such refund is received (together with interest computed at the Base Rate based on the number of days from the date the refund was received to the date the refund was paid over).

SECTION 6.02 Timing Differences and Reverse Timing Differences. (a) If as a result of an adjustment pursuant to a Final Determination to any Taxes for which a member of the OFC Group is liable hereunder (or Tax Attribute of a member of the OFC Group) a member of the Altisource Group could realize a current or future Tax Benefit that it could not realize but for such adjustment (determined on a with and without basis), or if as a result of an adjustment

pursuant to a Final Determination to any Taxes for which a member of the Altisource Group is liable hereunder (or Tax Attribute of a member of the Altisource Group) a member of the OFC Group could realize a current or future Tax Benefit that it could not realize but for such adjustment (determined on a with and without basis), Altisource or OFC, as the case may be, shall make a payment to either OFC or Altisource, as appropriate, within 30 days following the date of a written notice and demand from OFC or Altisource, as appropriate, for payment of the amount due, accompanied by evidence of such adjustment and describing in reasonable detail the particulars relating thereto. Any payment required under this Section 6.02(a) shall include interest on such payment computed at the Base Rate based on the number of days from the date of such written notice to the date of payment under this Section 6.02(a). In the event that OFC or Altisource disagrees with any such calculation described in this Section 6.02(a), OFC or Altisource shall so notify the other Company in writing within 30 days of receiving the written calculation set forth above in this Section 6.02(a). OFC and Altisource shall endeavor in good faith to resolve such disagreement.

(b) If a member of the Altisource Group actually realizes in cash pursuant to a Final Determination any Tax Detriment as a result of an adjustment pursuant to a Final Determination to any Taxes for which a member of the OFC Group is liable hereunder (or Tax Attribute of a member of the OFC Group) (in such circumstance, OFC being the "Adjusted Party") and such Tax Detriment would not have arisen but for such adjustment (determined on a with and without basis), or if a member of the OFC Group actually realizes in cash pursuant to a Final Determination any Tax Detriment as a result of an adjustment pursuant to a Final Determination to any Taxes for which a member of the Altisource Group is liable hereunder (or Tax Attribute of a member of the Altisource Group) (in such circumstance, Altisource being the "Adjusted Party") and such Tax Detriment would not have arisen but for such adjustment (determined on a with and without basis), the Adjusted Party shall make a payment to the other party within 30 days following the later of such actual realization of the Tax Detriment and the Adjusted Party's actual realization of the corresponding Tax Benefit, in an amount equal to the lesser of such Tax Detriment actually realized in cash and the Tax Benefit, if any, actually realized in cash by the Adjusted Party pursuant to such adjustment (which would not have arisen but for such adjustment), plus interest on such amount computed at the Base Rate based on the number of days from the later of the date of such actual realization of the Tax Detriment and the Adjusted Party's actual realization of the corresponding Tax Benefit to the date of payment of such amount under this Section 6.02(b). No later than 30 days after a Tax Detriment described in this Section 6.02(b) is actually realized in cash by a member of the OFC Group or a member of the Altisource Group, OFC (if a member of the OFC Group actually realizes such Tax Detriment) or Altisource (if a member of the Altisource Group actually realizes such Tax Detriment) shall provide the other Company with a written calculation of the amount payable pursuant to this Section 6.02(b). In the event that OFC or Altisource disagrees with any such calculation described in this Section 6.02(b), OFC or Altisource shall so notify the other Company in writing within 30 days of receiving the written calculation set forth above in this Section 6.02(b). OFC and Altisource shall endeavor in good faith to resolve such disagreement.

SECTION 6.03 Altisource Carrybacks. Altisource shall be entitled to any refund actually received in cash that is attributable to, and would not have arisen but for (determined on a with and without basis), an Altisource Carryback pursuant to the proviso set forth in Section 4.07, provided that the refund is a refund of Taxes for the Tax Period to which

the Altisource Carryback is carried or the first or second immediately following Tax Periods. Any such payment of such refund made by OFC to Altisource pursuant to this Section 6.03 shall be recalculated in light of any Final Determination (or any other facts that may arise or come to light after such payment is made, such as a carryback or carryforward of a OFC Group Tax Attribute to a Tax Period in respect of which such refund is received) that would affect the amount to which Altisource is entitled, and an appropriate adjusting payment shall be made by Altisource to OFC such that the aggregate amounts paid pursuant to this Section 6.03 equals such recalculated amount (with interest computed at the Base Rate based on the number of days from the date of the actual receipt of such refund to the date of payment of such amount under this Section 6.03).

## ARTICLE VII

### Tax-Free Status

SECTION 7.01 Tax Opinions and Representation Letters. Each of Altisource and OFC hereby represents and agrees that (i) it has examined the Representation Letters prior to the date hereof and (ii) all information contained in such Representation Letters that concerns or relates to such Company or any member of its Group will be true, correct and complete.

SECTION 7.02 Restrictions on Altisource.<sup>1</sup> (a) Altisource agrees that it will not take or fail to take, or permit any Altisource Affiliate to take or fail to take, any action where such action or failure to act would be inconsistent with or cause to be untrue any material, information, covenant or representation in any Representation Letters or Tax Opinions. Altisource agrees that it will not take or fail to take, or permit any Altisource Affiliate to take or fail to take, any action that prevents or could reasonably be expected to prevent (i) the Tax-Free Status or (ii) any transaction contemplated by the Separation Agreement that is intended by the parties to be tax-free from so qualifying, including issuing any Altisource Capital Stock that would prevent the Distribution from qualifying as a tax-free distribution within the meaning of Section 355 of the Code.

(b) Altisource agrees that, from the date hereof until the first day after the two-year anniversary of the Closing Date, it will (i) maintain its status as a company whose separate affiliated group, within the meaning of Section 355(b)(3) of the Code, is engaged in the Active Trade or Business and (ii) not engage in any transaction that would result in it ceasing to be a company whose separate affiliated group is so engaged in the Active Trade or Business.

(c) Altisource agrees that, from the date hereof until the first day after the two-year anniversary of the Closing Date, it will not (i) enter into any Proposed Acquisition Transaction or, to the extent Altisource has the right to prohibit any Proposed Acquisition Transaction, permit any Proposed Acquisition Transaction to occur (whether by (A) redeeming rights under a shareholder rights plan, (B) finding a tender offer to be a "permitted offer" under any such plan or otherwise causing any such plan to be inapplicable or neutralized with respect to any Proposed Acquisition Transaction or (C) approving any Proposed Acquisition Transaction, whether for purposes of Section 203 of the DGCL or any similar corporate statute,

---

<sup>1</sup> [BK — Because of toll tax, some of these restrictions may not be needed — let's discuss]

any "fair price" or other provision of Altisource's charter or bylaws or otherwise), (ii) merge or consolidate with any other Person or liquidate or partially liquidate, (iii) in a single transaction or series of transactions sell or transfer (other than sales or transfers of inventory in the ordinary course of business) 60% or more of the gross assets of the Active Trade or Business or 60% or more of the consolidated gross assets of Altisource and its Affiliates (such percentages to be measured based on fair market value as of the Closing Date), (iv) redeem or otherwise repurchase (directly or through a Altisource Affiliate) any Altisource Capital Stock, except to the extent such repurchases satisfy Section 4.05(1)(b) of Revenue Procedure 96-30 (as in effect prior to the amendment of such Revenue Procedure by Revenue Procedure 2003-48), (v) amend its certificate of incorporation (or other organizational documents), or take any other action, whether through a shareholder vote or otherwise, affecting the relative voting rights of Altisource Capital Stock (including, without limitation, through the conversion of any Altisource Capital Stock into another class of Altisource Capital Stock) or (vi) take any other action or actions (including any action or transaction that would be reasonably likely to be inconsistent with any representation made in the Representation Letters or the Tax Opinions) that in the aggregate (and taking into account any other transactions described in this subparagraph (c)) would be reasonably likely to have the effect of causing or permitting one or more persons (whether or not acting in concert) to acquire directly or indirectly stock representing a Fifty-Percent or Greater Interest in Altisource or otherwise jeopardize the Tax-Free Status, unless prior to taking any such action set forth in the foregoing clauses (i) through (vi), (A) Altisource shall have requested that OFC obtain a Ruling in accordance with Sections 7.02(e) and (f) to the effect that such transaction will not affect the Tax-Free Status and OFC shall have received such a supplemental Ruling in form and substance satisfactory to OFC in its sole and absolute discretion, which discretion shall be exercised in good faith solely to preserve the Tax-Free Status (and in determining whether such a Ruling is satisfactory, OFC may consider, among other factors, the appropriateness of any underlying assumptions and management's representations made in connection with such Ruling), or (B) Altisource shall provide OFC with an Unqualified Tax Opinion in form and substance satisfactory to OFC in its sole and absolute discretion, which discretion shall be exercised in good faith solely to preserve the Tax-Free Status (and in determining whether an opinion is satisfactory, OFC may consider, among other factors, the appropriateness of any underlying assumptions and management's representations if used as a basis for the opinion and OFC may determine that no opinion would be acceptable to OFC) or (C) OFC shall have waived the requirement to obtain such ruling or opinion.

(d) Certain Issuances of Altisource Capital Stock. If Altisource proposes to enter into any Section 7.02(d) Acquisition Transaction or, to the extent Altisource has the right to prohibit any Section 7.02(d) Acquisition Transaction, proposes to permit any Section 7.02(d) Acquisition Transaction to occur, in each case, during the period from the date hereof until the first day after the two-year anniversary of the Closing Date, Altisource shall provide OFC, no later than ten days following the signing of any written agreement with respect to the Section 7.02(d) Acquisition Transaction, with a written description of such transaction (including the type and amount of Altisource Capital Stock to be issued in such transaction) and a certificate of the Board of Directors of Altisource to the effect that the Section 7.02(d) Acquisition Transaction is not a Proposed Acquisition Transaction or any other transaction to which the requirements of Section 7.02(c) apply (a "Board Certificate").

(e) Procedures Regarding Opinions and Rulings. If Altisource notifies OFC that it desires to take one of the actions described in clauses (i) through (vi) of Section 7.02(c) (a "Notified Action"), OFC and Altisource shall reasonably cooperate to attempt to obtain the ruling or opinion referred to in Section 7.02(c), unless OFC shall have waived the requirement to obtain such ruling or opinion.

(f) Rulings or Unqualified Tax Opinions at Altisource's Request. OFC agrees that at the reasonable request of Altisource pursuant to Section 7.02(c) OFC shall cooperate with Altisource and use reasonable best efforts to seek to obtain, as expeditiously as possible, a Ruling or an Unqualified Tax Opinion for the purpose of permitting Altisource to take the Notified Action. In no event shall OFC be required to file any request for a Ruling under this Section 7.03(f) unless Altisource represents that (A) it has read the request for the Ruling and (B) all information and representations, if any, relating to any member of the Altisource Group contained in the request for the Ruling are (subject to any qualifications therein) true, correct and complete. Altisource shall reimburse OFC for all reasonable costs and expenses incurred by the OFC Group in obtaining a Ruling or Unqualified Tax Opinion requested by Altisource within 10 business days after receiving an invoice from OFC therefor.

(g) Rulings or Unqualified Tax Opinions at OFC's Request. OFC shall have the right to obtain a supplemental Ruling or an Unqualified Tax Opinion at any time in its sole and absolute discretion. If OFC determines to obtain a supplemental Ruling or an Unqualified Tax Opinion, Altisource shall (and shall cause each Affiliate of Altisource to) cooperate with OFC and take any and all actions reasonably requested by OFC in connection with obtaining the Ruling or Unqualified Tax Opinion (including, without limitation, by making any representation or reasonable covenant or providing any materials or information requested by the IRS or Tax Advisor; provided that Altisource shall not be required to make (or cause any Affiliate of Altisource to make) any representation or covenant that is inconsistent with historical facts or as to future matters or events over which it has no control). OFC and Altisource shall each bear its own costs and expenses in obtaining a Ruling or an Unqualified Tax Opinion requested by OFC.

(h) Altisource hereby agrees that OFC shall have sole and exclusive control over the process of obtaining any Ruling, and that only OFC shall apply for a Ruling. In connection with obtaining a Ruling pursuant to Section 7.02(c), (A) OFC shall keep Altisource informed in a timely manner of all material actions taken or proposed to be taken by OFC in connection therewith; (B) OFC shall (1) reasonably in advance of the submission of a request for a Ruling provide Altisource with a draft copy thereof, (2) reasonably consider Altisource's comments on such draft copy and (3) provide Altisource with a final copy; and (C) OFC shall provide Altisource with notice reasonably in advance of, and Altisource shall have the right to attend, any formally scheduled meetings with the IRS (subject to the approval of the IRS) that relate to such Ruling. Neither Altisource nor any Altisource Affiliate shall seek any guidance from the IRS or any other Tax Authority (whether written, verbal or otherwise) at any time concerning the Transactions (including the impact of any transaction on the Transactions).

SECTION 7.03 Liability for Tax-Related Losses. (a) Notwithstanding anything in this Agreement or the Separation Agreement to the contrary, Altisource shall be responsible for, and shall indemnify and hold harmless OFC and its Affiliates and each of their respective officers, directors and employees from and against, one hundred percent (100%) of any Tax-

Related Losses that are attributable to or result from any one or more of the following: (A) the acquisition of all or a portion of the stock or assets of any member of the Altisource Group by any means whatsoever by any Person, (B) any negotiations, understandings, agreements or arrangements by Altisource with respect to transactions or events (including, without limitation, stock issuances, pursuant to the exercise of stock options or otherwise, option grants, capital contributions or acquisitions, or a series of such transactions or events) that cause the Distribution to be treated as part of a plan pursuant to which one or more Persons acquire directly or indirectly stock of Altisource representing a Fifty-Percent or Greater Interest therein, (C) any action or failure to act by Altisource after the Distribution (including, without limitation, any amendment to Altisource's certificate of incorporation (or other organizational documents), whether through a shareholder vote or otherwise) affecting the relative voting rights of any class of Altisource Capital Stock (including, without limitation, through the conversion of any class of Altisource Capital Stock into another class of Altisource Capital Stock), (D) any act or failure to act by Altisource or any Altisource Affiliate described in Section 7.02 (regardless whether such act or failure to act is covered by a Ruling, Unqualified Tax Opinion or waiver described in clause (A), (B) or (C) of Section 7.02(c) or a Board Certificate described in Section 7.02(d)) or (E) any breach by Altisource of its agreement and representation set forth in Section 7.01.

(b) For purposes of calculating the amount and timing of any Tax-Related Loss for which Altisource is responsible under this Section 7.03, Tax-Related Losses shall be calculated by assuming that OFC, the OFC Affiliated Group and each member of the OFC Group (i) pay Tax at the highest marginal corporate Tax rates in effect in each relevant taxable year and (ii) have no Tax Attributes in any relevant taxable year.

(c) Altisource shall pay OFC the amount of any Tax-Related Losses for which Altisource is responsible under this Section 7.03: (A) in the case of Tax-Related Losses described in clause (i) of the definition of Tax-Related Losses no later than 2 business days prior to the date OFC files, or causes to be filed, the applicable Tax Return for the year of the Distribution (the "Filing Date") (provided that if such Tax-Related Losses arise pursuant to a Final Determination described in clause (a), (b) or (c) of the definition of "Final Determination", then Altisource shall pay OFC no later than 2 business days after the date of such Final Determination with interest calculated at the Base Rate, from the date that is 2 business days prior to the Filing Date through the date of such Final Determination) and (B) in the case of Tax-Related Losses described in clause (ii) or (iii) of the definition of Tax-Related Losses, no later than 2 business days after the date OFC pays such Tax-Related Losses.

## ARTICLE VIII

### Assistance and Cooperation

SECTION 8.01 Assistance and Cooperation. (a) After the Distribution, the Companies shall cooperate (and cause their respective Affiliates to cooperate) with each other and with each other's agents, including accounting firms and legal counsel, in connection with Tax matters relating to the Companies and their Affiliates including (i) preparation and filing of Tax Returns, (ii) determining the liability for and amount of any Taxes due (including estimated Taxes) or the right to and amount of any refund of Taxes, (iii) examinations of Tax Returns and (iv) any administrative or judicial proceeding in respect of Taxes assessed or proposed to be

assessed. Such cooperation shall include making all information and documents in their possession relating to the other Company and its Affiliates available to such other Company as provided in Article IX. Each of the Companies shall also make available to the other, as reasonably requested and available, personnel (including officers, directors, employees and agents of the Companies or their respective Affiliates) responsible for preparing, maintaining and interpreting information and documents relevant to Taxes, and personnel reasonably required as witnesses or for purposes of providing information or documents in connection with any administrative or judicial proceedings relating to Taxes.

(b) Any information or documents provided under this Article VIII shall be kept confidential by the Company receiving the information or documents, except as may otherwise be necessary in connection with the filing of Tax Returns or in connection with any administrative or judicial proceedings relating to Taxes.

SECTION 8.02 Income Tax Return Information. Altisource and OFC acknowledge that time is of the essence in relation to any request for information, assistance or cooperation made by OFC or Altisource pursuant to Section 8.01 or this Section 8.02. Altisource and OFC acknowledge that failure to conform to the deadlines set forth herein or reasonable deadlines otherwise set by OFC or Altisource could cause irreparable harm.

(a) Each Company shall provide to the other Company information and documents relating to its Group required by the other Company to prepare Tax Returns. Any information or documents the Responsible Company requires to prepare such Tax Returns shall be provided in such form as the Responsible Company reasonably requests and in sufficient time for the Responsible Company to file such Tax Returns on a timely basis.

(b) In the event that a party fails to provide any information requested by the other party pursuant to Section 8.01 or this Section 8.02, within the deadlines as set forth herein, a party shall have the right to engage a nationally recognized public accounting firm of its choice (the "Accountant"), in its sole and absolute discretion, to gather such information directly from the other party. The parties agree, and will cause all other members of their Group to agree, upon 10 business days' notice, in the case of a failure to provide information pursuant to Section 8.01 or this Section 8.02, to permit any such Accountant full access to all records or other information requested by such Accountant during reasonable business hours. Such other party agrees promptly pay all reasonable costs and expenses incurred by the requesting party in connection with the engagement of such Accountant.

SECTION 8.03 Reliance. If any member of one Group (the "Supplier Group") supplies information to a member of the other Group (the "Signing Group") in connection with a Tax liability and an officer of a member of the Signing Group signs a statement or other document under penalties of perjury in reliance upon the accuracy of such information, then upon the written request of such member of the Signing Group identifying the information being so relied upon, the chief financial officer of the Supplier Group (or any officer of the Supplier Group as designated by the chief financial officer of the Supplier Group) shall certify in writing that to his or her knowledge (based upon consultation with appropriate employees) the information so supplied is accurate and complete. The Company that is a member of the Supplier Group agrees to indemnify and hold harmless each member of the Signing Group and

its directors, officers and employees from and against any fine, penalty or other cost or expense of any kind attributable to a member of the Supplier Group having supplied, pursuant to this Article VIII, a member of the Signing Group with inaccurate or incomplete information in connection with a Tax liability.

#### ARTICLE IX

##### Tax Records

SECTION 9.01 Retention of Tax Records. Each Company shall preserve and keep all Tax Records exclusively relating to the assets and activities of its Group for Pre-Closing Periods (and the portion, ending on the Closing Date, of any Tax Period that includes but does not end on the Closing Date), and OFC shall preserve and keep all other Tax Records relating to Taxes of the Groups for Pre-Closing Periods until the later of (i) the expiration of any applicable statutes of limitation, and (ii) 7 years after the Closing Date. After such earlier date, each Company may dispose of such records upon 90 days' prior written notice to the other Company. If, prior to the expiration of the applicable statute of limitation or such seven-year period, a Company reasonably determines that any Tax Records that it would otherwise be required to preserve and keep under this Article IX are no longer material in the administration of any matter under the Code or other applicable Tax Law and the other Company agrees, then such first Company may dispose of such records upon 90 days' prior notice to the other Company. Any notice of an intent to dispose given pursuant to this Section 9.01 shall include a list of the records to be disposed of describing in reasonable detail each file, book or other record accumulation being disposed. The notified Company shall have the opportunity, at its cost and expense, to copy or remove, within such 90-day period, all or any part of such Tax Records.

SECTION 9.02 Access to Tax Records. The Companies and their respective Affiliates shall make available to each other for inspection and copying (or delivery, at the requesting party's expense) during normal business hours upon reasonable notice all Tax Records in their possession to the extent reasonably required by the other Company in connection with the preparation of Tax Returns, audits, litigation or the resolution of items under this Agreement.

#### ARTICLE X

##### Tax Contests

SECTION 10.01 Notice. Each of the parties shall provide prompt notice to the other party of any written communication from a Tax Authority regarding any pending or threatened Tax audit, assessment or proceeding or other Tax Contest of which it becomes aware related to Taxes for Tax Periods for which it is indemnified by the other party hereunder. Such notice shall attach copies of the pertinent portion of any written communication from a Tax Authority and contain factual information (to the extent known) describing any asserted Tax liability in reasonable detail and shall be accompanied by copies of any notice and other documents received from any Tax Authority in respect of any such matters.



SECTION 10.02 Control of Tax Contests. (a) OFC Returns. In the case of any Tax Contest with respect to any (i) OFC Federal Consolidated Income Tax Return, (ii) OFC State Combined Income Tax Return, (iii) any other Joint Return or (iv) any OFC Separate Return, OFC shall have exclusive control over the Tax Contest, including exclusive authority with respect to any settlement of Tax liability arising from such Tax Contest. OFC shall keep Altisource informed in a timely manner regarding such Tax Contests to the extent relating to the Altisource Business, the Altisource Group or the assets transferred to Altisource pursuant to the Transactions insofar as such Tax Contests would reasonably be expected to affect the Altisource Group.

(b) Altisource Separate Returns. In the case of any Tax Contest with respect to an Altisource Separate Return, Altisource shall have exclusive control over the Tax Contest, including exclusive authority with respect to any settlement of Tax liability arising from such Tax Contest.

(c) Distribution-Related Proceedings. In the event of any Distribution-Related Proceeding as a result of which Altisource could reasonably be expected to become liable for any Tax-Related Losses that OFC is entitled to control under this Article 10, (A) OFC shall consult with Altisource reasonably in advance of taking any significant action in connection with such Distribution-Related Proceeding, (B) OFC shall consult with Altisource and offer Altisource a reasonable opportunity to comment before submitting any written materials prepared or furnished in connection with such Distribution-Related Proceeding, (C) OFC shall defend such Distribution-Related Proceeding diligently and in good faith and (D) OFC shall provide Altisource copies of any written materials relating to such Distribution-Related Proceeding received from the relevant Tax Authority.

#### ARTICLE XI

##### Effective Date; Termination of Prior Intercompany Tax Allocation Agreements

This Agreement shall be effective as of the date hereof. As of the date hereof, all prior intercompany Tax allocation agreements or arrangements relating to one or more members of the OFC Group, on the one hand, and one or more members of the Altisource Group, on the other hand, shall be terminated, and no member of any Group shall have any right or obligation in respect of any member of the other Group thereunder.

#### ARTICLE XII

##### Survival of Obligations

The representations, warranties, covenants and agreements set forth in this Agreement shall be unconditional and absolute and shall remain in effect without limitation as to time.

ARTICLE XIII

Treatment of Payments; Tax Gross Up

SECTION 13.01 Treatment of Tax Indemnity and Tax Benefit Payments. In the absence of any change in Tax treatment under the Code or other applicable Tax Law:

(a) any Tax indemnity payments made by a Company under Article V shall be reported for Tax purposes by the payor and the recipient as distributions or capital contributions, as appropriate, occurring immediately before the Distribution (but only to the extent the payment does not relate to a Tax allocated to the payor in accordance with Section 1552 of the Code or the regulations thereunder or Treasury Regulation Section 1.1502-33(d) (or under corresponding principles of other applicable Tax Laws)) or as payments of an assumed or retained liability, and

(b) any Tax Benefit payments made by a Company under Article VI, shall be reported for Tax purposes by the payor and the recipient as distributions or capital contributions, as appropriate, occurring immediately before the Distribution (but only to the extent the payment does not relate to a Tax allocated to the payor in accordance with Section 1552 of the Code or the regulations thereunder or Treasury Regulation Section 1.1502-33(d) (or under corresponding principles of other applicable Tax Laws)) or as payments of an assumed or retained liability.

SECTION 13.02 Tax Gross Up. If, notwithstanding the manner in which Tax indemnity payments and Tax Benefit payments were reported, there is an adjustment to the Tax liability of a Company as a result of its receipt of a payment pursuant to this Agreement, such payment shall be appropriately adjusted so that the amount of such payment, reduced by the amount of all income Taxes payable with respect to the receipt thereof (but taking into account all correlative Tax Benefits resulting from the payment of such income Taxes), shall equal the amount of the payment that the Company receiving such payment would otherwise be entitled to receive pursuant to this Agreement.

SECTION 13.03 Interest under This Agreement. Anything herein to the contrary notwithstanding, to the extent one Company ("Indemnitor") makes a payment of interest to another Company ("Indemnitee") under this Agreement with respect to the period from the date that the Indemnitee made a payment of Tax to a Tax Authority to the date that the Indemnitor reimbursed the Indemnitee for such Tax payment, the interest payment shall be treated as interest expense to the Indemnitor (deductible to the extent provided by law) and as interest income by the Indemnitee (includible in income to the extent provided by law). The amount of the payment shall not be adjusted under Section 13.02 to take into account any associated Tax Benefit to the Indemnitor or Tax Detriment to the Indemnitee.

ARTICLE XIV

Disagreements

The Companies mutually desire that collaboration will continue between them. Accordingly, they will try, and they will cause their respective Group members to try, to resolve in an amicable manner all disagreements and misunderstandings connected with their

respective rights and obligations under this Agreement, including any amendments hereto. In furtherance thereof, in the event of any dispute or disagreement (other than a High-Level Dispute) (a "Tax Arbitrator Dispute") between the Companies as to the interpretation of any provision of this Agreement or the performance of obligations hereunder, the Tax departments of the Companies shall negotiate in good faith to resolve the Tax Arbitrator Dispute. If such good faith negotiations do not resolve the Tax Arbitrator Dispute, then the matter, upon written request of either Company, will be referred to a tax lawyer or accountant acceptable to each of the Companies (the "Tax Arbitrator"). The Tax Arbitrator may, in its discretion, obtain the services of any third-party appraiser, accounting firm or consultant that the Tax Arbitrator deems necessary to assist it in resolving such disagreement. The Tax Arbitrator shall furnish written notice to the Companies of its resolution of any such Tax Arbitrator Dispute as soon as practical, but in any event no later than 45 days after its acceptance of the matter for resolution. Any such resolution by the Tax Arbitrator will be conclusive and binding on the Companies. Following receipt of the Tax Arbitrator's written notice to the Companies of its resolution of the Tax Arbitrator Dispute, the Companies shall each take or cause to be taken any action necessary to implement such resolution of the Tax Arbitrator. In accordance with Article XVI, each Company shall pay its own fees and expenses (including the fees and expenses of its representatives) incurred in connection with the referral of the matter to the Tax Arbitrator. All fees and expenses of the Tax Arbitrator in connection with such referral shall be shared equally by the Companies. Any High-Level Dispute shall be resolved pursuant to the procedures set forth in Article VII of the Separation Agreement. Nothing in this Article XIV will prevent either Company from seeking injunctive relief if any delay resulting from the efforts to resolve the Tax Arbitrator Dispute through the Tax Arbitrator (or any delay resulting from the efforts to resolve any High-Level Dispute through the procedures set forth in Article VII of the Separation Agreement) could result in serious and irreparable injury to either Company.

#### ARTICLE XV

##### Late Payments

Any amount owed by one party to another party under this Agreement that is not paid when due shall bear interest at three (3) month London Interbank Offer Rate (LIBOR), compounded semiannually, from the due date of the payment to the date paid. To the extent interest required to be paid under this Article XV duplicates interest required to be paid under any other provision of this Agreement, interest shall be computed at the higher of the interest rate provided under this Article XV or the interest rate provided under such other provision.

#### ARTICLE XVI

##### Expenses

Except as otherwise provided in this Agreement, each party and its Affiliates shall bear their own expenses incurred in connection with preparation of Tax Returns, Tax Contests, and other matters related to Taxes under the provisions of this Agreement.

ARTICLE XVII

General Provisions

SECTION 17.01 Addresses and Notices. All notices or other communications under this Agreement shall be in writing and shall be deemed to be duly given when (a) delivered in person or (b) deposited in the United States mail or private express mail, postage prepaid, addressed as follows:

If to OFC, to:  
Ocwen Financial Corporation  
1661 Worthington Road  
West Palm Beach, Florida 33409  
Attn: Corporate Secretary  
Fax No.: (561) 471-4264

If to Altisource to:  
Altisource Solutions S.à r.l.  
2-8 Avenue Charles de Gaulle  
L-1653 Luxembourg  
Attn: Corporate Secretary  
Fax No.: [ ]<sup>2</sup>

Either party may, by notice to the other party, change the address to which such notices are to be given.

SECTION 17.02 Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their successors and assigns.

SECTION 17.03 Waiver. Waiver by any party hereto of any default by any other party hereto of any provision of this Agreement shall not be deemed a waiver by the waiving party of any subsequent or other default.

SECTION 17.04 Severability. If any provision of this Agreement or the application thereof to any Person or circumstance is determined by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions hereof, or the application of such provision to Persons or circumstances or in jurisdictions other than those as to which it has been held invalid or unenforceable, shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby, so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to either party. Upon any such determination, the parties shall negotiate in good faith in an effort to agree upon a suitable and equitable provision to effect the original intent of the parties.

SECTION 17.05 Authority. Each of the parties represents to the other that (a) it has the corporate or other requisite power and authority to execute, deliver and perform this

---

<sup>2</sup> To be confirmed.

Agreement, (b) the execution, delivery and performance of this Agreement have been duly authorized by all necessary corporate or other action, (c) it has duly and validly executed and delivered this Agreement, and (d) this Agreement is a legal, valid and binding obligation, enforceable against it in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights generally and general equity principles.

SECTION 17.06 Further Action. The parties shall execute and deliver all documents, provide all information, and take or refrain from taking action as may be necessary or appropriate to achieve the purposes of this Agreement, including the execution and delivery to the other parties and their Affiliates and representatives of such powers of attorney or other authorizing documentation as is reasonably necessary or appropriate in connection with Tax Contests (or portions thereof) under the control of such other parties in accordance with Article X.

SECTION 17.07 Integration. This Agreement, together with each of the exhibits and schedules appended hereto, constitutes the final agreement between the parties, and is the complete and exclusive statement of the parties' agreement on the matters contained herein. All prior and contemporaneous negotiations and agreements between the parties with respect to the matters contained herein are superseded by this Agreement, as applicable. In the event of any inconsistency between this Agreement and the Separation Agreement, or any other agreements relating to the transactions contemplated by the Separation Agreement, with respect to matters addressed herein, the provisions of this Agreement shall control.

SECTION 17.08 Construction. The language in all parts of this Agreement shall in all cases be construed according to its fair meaning and shall not be strictly construed for or against any party. The captions, titles and headings included in this Agreement are for convenience only, and do not affect this Agreement's construction or interpretation. Unless otherwise indicated, all "Section" and "Article" references in this Agreement are to sections and articles of this Agreement.

SECTION 17.09 No Double Recovery. No provision of this Agreement shall be construed to provide an indemnity or other recovery for any costs, damages, or other amounts for which the damaged party has been fully compensated under any other provision of this Agreement or under any other agreement or action at law or equity. Unless expressly required in this Agreement, a party shall not be required to exhaust all remedies available under other agreements or at law or equity before recovering under the remedies provided in this Agreement.

SECTION 17.10 Counterparts. The parties may execute this Agreement in multiple counterparts, each of which constitutes an original as against the party that signed it, and all of which together constitute one agreement. This Agreement is effective upon delivery of one executed counterpart from each party to the other party. The signatures of both parties need not appear on the same counterpart. The delivery of signed counterparts by facsimile or email transmission that includes a copy of the sending party's signature is as effective as signing and delivering the counterpart in person.

SECTION 17.11 Governing Law. This Agreement and, unless expressly provided therein, each Ancillary Agreement, shall be governed by and construed and interpreted in accordance with the internal laws of the State of New York applicable to contracts made and to be performed wholly in such State and irrespective of the choice of law principles of the State of New York, as to all matters (other than with respect to the corporate action of the OFC board of directors attendant to the declaration and payment of the dividend of the Altisource Common Shares, which shall be governed by the law of the State of Florida.)

SECTION 17.12 Jurisdiction. [Any action or proceeding arising out of or relating to this Agreement or any Ancillary Agreement shall be brought in the courts of the State of New York located in the County of New York or in the United States District Court for the Southern District of New York (if any party to such action or proceeding has or can acquire jurisdiction), and each of the parties hereto or thereto irrevocably submits to the exclusive jurisdiction of each such court in any such action or proceeding, waives any objection it may now or hereafter have to venue or to convenience of forum, agrees that all claims in respect of the action or proceeding shall be heard and determined only in any such court and agrees not to bring any action or proceeding arising out of or relating to this Agreement or any Ancillary Agreement in any other court. The parties to this Agreement or any Ancillary Agreement agree that any of them may file a copy of this paragraph with any court as written evidence of the knowing, voluntary and bargained agreement between the parties hereto and thereto irrevocably to waive any objections to venue or to convenience of forum. Process in any action or proceeding referred to in the first sentence of this Section may be served on any party to this Agreement or any Ancillary Agreement anywhere in the world.]<sup>3</sup>

SECTION 17.13 Amendment. No provisions of this Agreement shall be deemed waived, amended, supplemented or modified by any party hereto, unless such waiver, amendment, supplement or modification is in writing and signed by the authorized representative of the party against whom it is sought to enforce such waiver, amendment, supplement or modification.

SECTION 17.14 Altisource Subsidiaries. If, at any time, Altisource or OFC, respectively, acquires or creates one or more subsidiaries that are includable in the Altisource Group or the OFC Group, respectively, they shall be subject to this Agreement and all references to the Altisource Group or OFC Group, respectively, herein shall thereafter include a reference to such subsidiaries.

SECTION 17.15 Successors. This Agreement shall be binding on and inure to the benefit of any successor by merger, acquisition of assets, or otherwise, to any of the parties hereto (including but not limited to any successor of OFC or Altisource succeeding to the Tax Attributes of either under Section 381 of the Code), to the same extent as if such successor had been an original party to this Agreement.

SECTION 17.16 Injunctions. The parties acknowledge that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with its specific terms or were otherwise breached. The parties hereto shall be

---

<sup>3</sup> [To be discussed]

entitled to an injunction or injunctions to prevent breaches of the provisions of this Agreement and to enforce specifically the terms and provisions hereof in any court having jurisdiction, such remedy being in addition to any other remedy to which they may be entitled at law or in equity.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives as of the date set forth above.

OCWEN FINANCIAL CORPORATION

By \_\_\_\_\_  
Name:  
Title:

ALTISOURCE SOLUTIONS S.À R.L.

By \_\_\_\_\_  
Name:  
Title:

**EMPLOYEE MATTERS AGREEMENT**

EMPLOYEE MATTERS AGREEMENT, dated as of [ ], 2009 (this "Agreement"), by and between OCWEN FINANCIAL CORPORATION, a Florida corporation ("OCWEN"), and ALTISOURCE SOLUTIONS S.À R.L., a private limited liability company organized under the laws of the Grand Duchy of Luxembourg and an indirect, wholly-owned subsidiary of OCWEN ("ALTISOURCE"). Capitalized terms used herein and not otherwise defined have the respective meanings assigned to them in the Separation Agreement to be entered into between OCWEN and Altisource Portfolio Solutions S.A., the sole parent of ALTISOURCE ("ALTISOURCE Parent") (the "Separation Agreement").

## R E C I T A L S

WHEREAS, OCWEN and ALTISOURCE Parent are entering into the Separation Agreement pursuant to which OCWEN will (i) separate its existing business into two independent businesses, (ii) contribute the ALTISOURCE Business to ALTISOURCE and (iii) distribute all of the capital stock of ALTISOURCE Parent to the shareholders of OCWEN as a dividend; and

WHEREAS, OCWEN and ALTISOURCE wish to set forth their agreements as to certain matters regarding compensation and employee benefits.

NOW, THEREFORE, in consideration of the mutual agreements, provisions and covenants contained in this Agreement, the Parties agree as follows:

## ARTICLE I

General

SECTION 1.01 General Allocation of Assets and Liabilities for Existing Plans. Except as otherwise specifically provided herein, from and after the Distribution, (a) OCWEN shall retain, or shall cause the applicable other members of the OCWEN Group or its or their applicable employee benefit plans to retain, sponsorship of, and all Assets and Liabilities arising out of or relating to, all employment, compensation and employee benefits-related plans, programs, agreements and arrangements sponsored or maintained by OCWEN or any of its Subsidiaries (other than ALTISOURCE Parent and its Subsidiaries) immediately prior to the Distribution (collectively, the "Existing OCWEN Plans") and (b) ALTISOURCE shall retain, or shall cause the applicable other members of the ALTISOURCE Group or its or their applicable employee benefit plans to retain, sponsorship of, and all Assets and Liabilities arising out of or relating to, all employment, compensation and employee benefits-related plans, programs, agreements and arrangements sponsored or maintained by ALTISOURCE Parent or any of its Subsidiaries immediately prior to the Distribution, if any (collectively, the "Existing ALTISOURCE Plans").

SECTION 1.02 Cessation of Participation in OCWEN Plans. Except as otherwise expressly provided herein, as of the Distribution, each employee of ALTISOURCE or any of its Subsidiaries (whether or not on disability or any other leave of absence) giving effect to the Distribution (it being understood that ALTISOURCE Parent has no employees)

---



(collectively, the "ALTISOURCE Employees") shall immediately cease to be eligible for and participate actively in any Existing OCWEN Plan.

SECTION 1.03 Adoption of New ALTISOURCE Plans. Except as otherwise expressly provided herein or in the Separation Agreement, in connection with the Distribution, ALTISOURCE shall provide, or shall cause to be provided, compensation and employee benefits to the ALTISOURCE Employees under one or more existing or newly adopted employee benefit plans, programs or arrangements. Except as otherwise expressly provided herein or in the Separation Agreement, ALTISOURCE shall be solely responsible for all Liabilities arising out of or relating to such plans, programs and arrangements.

## ARTICLE II

### OCWEN Options and Restricted Stock

SECTION 2.01 Stock Options. (a) Effective as of the Distribution, each option to purchase OCWEN Common Stock ("OCWEN Stock Options") granted and outstanding under either the 2007 Equity Incentive Plan or the 1991 Non-Qualified Stock Option Plan of OCWEN ("OCWEN Option Plans") shall remain granted and outstanding and shall not, and OCWEN shall cause (to the maximum extent permitted under the OCWEN Option Plans) the OCWEN Stock Options not to, terminate, accelerate or otherwise vest as a result of the Distribution, and each holder thereof immediately prior to the Distribution will be entitled to receive the following, determined in a manner in accordance with, and subject to, the relevant OCWEN Option Plan, FAS123R and Section 409A of the Internal Revenue Code: (i) a number of options to acquire shares of ALTISOURCE Common Stock equal to the product of (x) the number of OCWEN Stock Options held by such holder on the Distribution and (y) one-third (1/3) (the "ALTISOURCE Stock Options"), with an exercise price to be determined in a manner consistent with this Section 2.01 and (ii) the same number of OCWEN Stock Options as such holder had prior to the Distribution, with an adjusted exercise price to be determined in a manner consistent with this Section 2.01 (the "Adjusted OCWEN Stock Options") (the ALTISOURCE Stock Options and the Adjusted OCWEN Stock Options, together, the "Post-Distribution Stock Options").

(b) The option exercise price of the ALTISOURCE Stock Options and the Adjusted OCWEN Stock Options shall be set at a value so as to maintain the intrinsic value of the OCWEN Stock Options, both individually and in the aggregate, and to maintain the ratio of exercise price to fair market value of the OCWEN Stock Options and the Post-Distribution Stock Options.

(c) Each of OCWEN and ALTISOURCE intends that, subsequent to the Distribution, ALTISOURCE shall enact, or shall cause to be enacted, one or more equity incentive or similar plans that will allow or provide for the issuance of new options (or other equity-based awards) to acquire ALTISOURCE Common Stock, on such terms, and subject to such conditions (including, without limitation, as to eligibility, vesting and performance criteria), as ALTISOURCE may decide in its sole discretion.

SECTION 2.02 Restricted Stock. Pursuant to the Distribution, each holder of shares of OCWEN Common Stock that is subject to restriction shall receive a dividend of ALTISOURCE Common Stock as provided for in the Separation Agreement. Any such share of ALTISOURCE Common Stock received as a dividend in respect of restricted OCWEN Common Stock shall be subject to the same restrictions and terms (including vesting schedule and forfeiture) as were applicable, as of the Distribution Date, to the restricted OCWEN Common Stock on which the dividend was declared and paid (except where applicable laws in such foreign jurisdictions may require a different approach).

SECTION 2.03 Form S-8. Subsequent to the effectiveness of the Form 10, but prior to the consummation of the Distribution, ALTISOURCE shall prepare and file with the Commission a registration statement on Form S-8 (or another appropriate form) registering a number of shares of ALTISOURCE Common Stock equal to the number of options to purchase ALTISOURCE Common Stock resulting from the actions contemplated in Section 2.01 above and under any new equity incentive or similar plan. ALTISOURCE shall use its reasonable best efforts to cause any such registration statement to be effective (and the current status of the prospectus or prospectuses required thereby shall be maintained) as long as any options to purchase ALTISOURCE Common Stock may remain outstanding.

SECTION 2.04 Section 16. The Parties shall take all reasonable steps as may be required to cause the transactions contemplated by this Article II and any other acquisitions of ALTISOURCE equity securities (including derivative securities) or dispositions of OCWEN equity securities (including derivative securities) in connection with this Agreement or the Separation Agreement by each individual who is a director or officer of OCWEN or ALTISOURCE subject to Section 16 of the Exchange Act to be exempt under Rule 16b-3 promulgated under the Exchange Act.

### ARTICLE III

#### U.S. Retirement and Deferred Compensation Plans

SECTION 3.01 U.S. Tax-Qualified 401(k) Plan. (a) Effective as of the Distribution, ALTISOURCE shall have in effect a defined contribution plan within the meaning of Section 401(k) of the Code (the "ALTISOURCE 401(k) Plan") that will provide benefits to eligible and participating ALTISOURCE Employees and any former employee of ALTISOURCE or any of its Subsidiaries (other than any such individual who was employed directly by OCWEN or any of its Subsidiaries (other than ALTISOURCE or any of its Subsidiaries) at any time following such individual's most recent direct employment with ALTISOURCE or any of its Subsidiaries) (each such former employee, a "Former ALTISOURCE Employee") participating in OCWEN's 401(k) Plan (the "OCWEN 401(k) Plan") (except where applicable laws in such foreign jurisdictions may require a different approach). Each ALTISOURCE Employee and Former ALTISOURCE Employee participating in the OCWEN 401(k) Plan immediately prior to the effectiveness of the ALTISOURCE 401(k) Plan shall be eligible to participate in the ALTISOURCE 401(k) Plan as of such effectiveness. ALTISOURCE shall cause each ALTISOURCE Employee to be credited with all service accrued with OCWEN and its Subsidiaries prior to such transfer for all purposes under the ALTISOURCE 401(k) Plan.

(b) Within a reasonable period of time following the Distribution, OCWEN shall cause to be transferred to the ALTISOURCE 401(k) Plan, and ALTISOURCE shall cause the ALTISOURCE 401(k) Plan to accept, an amount equal to the account balances of all ALTISOURCE Employees and Former ALTISOURCE Employees who are participants in the OCWEN 401(k) Plan. Such transfer shall include any promissory notes evidencing outstanding loan balances under the OCWEN 401(k) Plan with respect to such account balances. OCWEN shall debit the account of each such individual under the OCWEN 401(k) Plan by the amount transferred for the benefit of such individual to the ALTISOURCE 401(k) Plan, and ALTISOURCE shall allocate the amounts transferred to the ALTISOURCE 401(k) Plan to the account of each such individual by crediting such account with the amount debited from such individual's account under the OCWEN 401(k) Plan. Following the foregoing transfer, ALTISOURCE and/or the ALTISOURCE 401(k) Plan shall assume all Liabilities of OCWEN, the OCWEN Group and their respective Affiliates under the OCWEN 401(k) Plan with respect to all participants in the OCWEN 401(k) Plan whose balances were transferred to the ALTISOURCE 401(k) Plan and their beneficiaries, and OCWEN, the OCWEN Group and their respective Affiliates and the OCWEN 401(k) Plan shall have no Liabilities to provide such participants with benefits under the OCWEN 401(k) Plan following such transfer. OCWEN and ALTISOURCE shall use reasonable efforts to minimize the duration of any "blackout period" imposed in connection with the transfer of account balances from the OCWEN 401(k) Plan to the ALTISOURCE 401(k) Plan.

SECTION 3.02 Director Non-Qualified Deferred Compensation Plans. OCWEN shall retain, or shall cause the applicable other members of the OCWEN Group to retain, sponsorship of, and all Assets and Liabilities arising out of or relating to, OCWEN's 1996 Stock Plan for Directors, as amended and Deferred Plan for Directors, dated March 7, 2005, and shall make, or cause to be made, payments to all participants in such plans, including those who are current or former directors of OCWEN, in accordance with the terms of the applicable plan.

#### ARTICLE IV

##### Incentive Plans

SECTION 4.01 Annual Incentive Plan. ALTISOURCE shall assume all Liabilities with respect to ALTISOURCE Employees and ALTISOURCE Former Employees pursuant to OCWEN's 1998 Annual Incentive Plan ("OCWEN AIP") as in effect as of the Distribution Date that relate to any periods under the OCWEN AIP commencing prior to and ending after the Distribution Date (the "Applicable Performance Periods"), and OCWEN, the OCWEN Group and their respective Affiliates shall have no Liabilities to provide ALTISOURCE Employees or ALTISOURCE Former Employees with benefits under the OCWEN AIP with respect to the Applicable Performance Periods. ALTISOURCE expects to (a) establish an incentive plan (the "ALTISOURCE AIP") for ALTISOURCE Employees and ALTISOURCE Former Employees that will contain the same terms as the OCWEN AIP as in effect as of the Distribution Date with respect to the Applicable Performance Periods and (b) at the times originally prescribed by the OCWEN AIP, make payments to the ALTISOURCE Employees and Former ALTISOURCE Employees with respect to the Applicable Performance Periods in accordance with the terms of the ALTISOURCE AIP.

ARTICLE V

U.S. Welfare Benefits, Severance Plan and Other Matters

SECTION 5.01 U.S. Welfare Plans. (a) No later than the Distribution, ALTISOURCE shall have in effect welfare benefit plans that provide an appropriate level of [life insurance, health care, dental care, accidental death and dismemberment insurance, disability and other group welfare benefits] (the "ALTISOURCE Welfare Plans") for ALTISOURCE Employees employed in Luxembourg or such other foreign jurisdiction as may become applicable, who immediately prior to the date such ALTISOURCE Welfare Plans are established (the "Welfare Plan Transition Date") are participants in the comparable Existing OCWEN Plans (the "OCWEN Welfare Plans") (except where applicable laws in such foreign jurisdictions may require a different approach). OCWEN and ALTISOURCE agree that, to the extent reasonably practicable, the ALTISOURCE Welfare Plans shall provide to such ALTISOURCE Employees coverage that is substantially similar to the coverage that was provided to them under the corresponding OCWEN Welfare Plans immediately prior to the Welfare Plan Transition Date. ALTISOURCE shall, subject to approval by its third-party insurance providers, (A) waive all limitations as to preexisting conditions, exclusions and waiting periods and actively-at-work requirements with respect to participation and coverage requirements applicable to such ALTISOURCE Employees and their dependents under the ALTISOURCE Welfare Plans to the extent previously satisfied under the applicable corresponding OCWEN Welfare Plan immediately prior to the Welfare Plan Transition Date and (B) provide each such ALTISOURCE Employee and his or her eligible dependents with credit under ALTISOURCE Welfare Plans for any co-payments and deductibles paid under corresponding OCWEN Welfare Plans prior to the Welfare Plan Transition Date in the calendar year in which the Welfare Plan Transition Date occurs for purposes of satisfying any applicable deductible or out-of-pocket requirements under any ALTISOURCE Welfare Plans in which such ALTISOURCE Employees participate.

(b) ALTISOURCE shall retain, or shall cause the applicable other members of the ALTISOURCE Group or the applicable ALTISOURCE Welfare Plans to retain, responsibility for all claims for welfare benefits incurred prior to, from and after the Distribution under the OCWEN Welfare Plans and the ALTISOURCE Welfare Plans by ALTISOURCE Employees and their dependents and beneficiaries.

SECTION 5.02 COBRA and HIPAA. ALTISOURCE shall retain all liabilities and obligations to ALTISOURCE Employees and their eligible dependents, in respect of health insurance under the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended ("COBRA"), the Health Insurance Portability and Accountability Act of 1996 ("HIPAA") and applicable state law.

ARTICLE VI

Termination

SECTION 6.01 Termination. This Agreement may be terminated by OCWEN at any time, in its sole discretion, prior to the Distribution Date.

SECTION 6.02 Effect of Termination. In the event of any termination of this Agreement prior to the Distribution Date, neither party (or any of its directors or officers) shall have any Liability or further obligation to the other party.

ARTICLE VII

Miscellaneous

SECTION 7.01 No Third-Party Beneficiaries. Without limiting the generality of Section 10.04 of the Separation Agreement, this Agreement is solely for the benefit of the parties hereto, and no current or former director, officer, employee or independent contractor of any member of the OCWEN Group or any member of the ALTISOURCE Group or any other individual associated therewith (including any beneficiary or dependent thereof) shall be regarded for any purpose as a third-party beneficiary of this Agreement, and no provision of this Agreement shall create such rights in any such persons in respect of any benefits that may be provided, directly or indirectly, under any benefit plan, program, policy, agreement or arrangement of any member of the OCWEN Group or any member of the ALTISOURCE Group. No provision of this Agreement shall constitute a limitation on the rights to amend, modify or terminate any benefit plans, programs, policies, agreements or arrangements of any member of the OCWEN Group or any member of the ALTISOURCE Group, and nothing herein shall be construed as an amendment to any such benefit plan, program, policy, agreement or arrangement. No provision of this Agreement shall require any member of the OCWEN Group or any member of the ALTISOURCE Group to continue the employment of any employee of any member of the OCWEN Group or any member of the ALTISOURCE Group for any specific period of time following the Distribution Date.

SECTION 7.02 Confidentiality. This Agreement and the information provided to each party hereunder shall be subject to the confidentiality provisions set forth in Sections 6.07 and 6.08 of the Separation Agreement.

SECTION 7.03 Dispute Resolution. All disputes, controversies and claims directly or indirectly arising out of or in relation to this Agreement or the validity, interpretation, construction, performance, breach or enforceability of this Agreement shall be finally, exclusively and conclusively settled in accordance with the provisions of Article VII of the Separation Agreement, which shall apply *mutatis mutandis* to this Agreement.

SECTION 7.04 Miscellaneous. Except as otherwise expressly set forth in this Agreement, the provisions in Article X of the Separation Agreement (which Article X addresses counterparts, entire agreement, corporate power, governing law, assignability, third party beneficiaries, notices, severability, publicity, expenses, headings, survival of covenants, waivers of default, specific performance, amendments, interpretation, jurisdiction and service of process) shall apply *mutatis mutandis* to this Agreement.

\* \* \* \* \*

IN WITNESS WHEREOF, the parties have caused this Employee Matters Agreement to be executed as of the date first written above by their duly authorized representatives.

OCWEN FINANCIAL CORPORATION

By \_\_\_\_\_  
Name:  
Title:

ALTISOURCE SOLUTIONS S.À R.L.

By \_\_\_\_\_  
Name:  
Title:

**INTELLECTUAL PROPERTY AGREEMENT**

This AGREEMENT made this \_\_\_\_ day of \_\_\_\_\_, by and between OCWEN FINANCIAL CORPORATION, a Florida corporation (“OFC”) and ALTISOURCE SOLUTIONS S.à r.l., a private limited liability company organized under the laws of the Grand Duchy of Luxembourg, (“ALTISOURCE S.à r.l.”).

**RECITALS**

WHEREAS, OFC and Altisource Portfolio Solutions S.A. (formerly known as Altisource Portfolio Solutions S.à r.l., formerly known as Ocwen Luxembourg S.à r.l.), the sole parent of ALTISOURCE S.à r.l. (“ALTISOURCE Parent”), are parties to a Separation Agreement dated as of [\_\_\_\_], 2009 (the “Separation Agreement”), pursuant to which OCWEN will (i) separate the ALTISOURCE Business (as defined in the Separation Agreement) and (ii) distribute (the “Separation”) to the holders of shares of OCWEN’s outstanding capital stock all of the outstanding capital stock of ALTISOURCE Parent;

WHEREAS, following the Separation, ALTISOURCE (as defined below) will operate the ALTISOURCE Business, and OCWEN (as defined below) will operate the OCWEN Business (as defined in the Separation Agreement);

WHEREAS, as part of the separation of the ALTISOURCE Business pursuant to the Separation Agreement, OCWEN is to contribute the ALTISOURCE IP (as defined below) to ALTISOURCE;

WHEREAS, pursuant to the Separation Agreement, this Intellectual Property Agreement (this “Agreement”) will govern the contribution of the ALTISOURCE IP to ALTISOURCE;

WHEREAS, in addition to this Agreement and the Separation Agreement, OCWEN and ALTISOURCE are also entering into a Transition Services Agreement, a Services Agreement, and a Technology Products Services Agreement (collectively, the “Services Agreements”), by which ALTISOURCE will provide various services to OCWEN (and, in the case of the Transition Services Agreement, OCWEN will provide certain services to ALTISOURCE); and

WHEREAS, pursuant to the Separation Agreement, this Agreement shall govern the licensing of the Licensed Intellectual Property and the OCWEN IP, both as defined below, necessary for the Parties to enjoy the services to be provided under the Services Agreements.

NOW, THEREFORE, in consideration of the foregoing Recitals, the mutual promises contained in this Agreement, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Definitions

a) Capitalized terms used herein and not otherwise defined have the meanings given to such terms in the Separation Agreement.

b) For the purposes of this Agreement, the following terms shall have the following meanings:

"Agreement" means this Intellectual Property Agreement, including schedules and exhibits hereto.

"ALTISOURCE" shall mean ALTISOURCE Parent and the members of the ALTISOURCE Group.

"ALTISOURCE Indemnitees" shall have the meaning set forth in Section 15 below.

"ALTISOURCE IP" shall mean all Intellectual Property to be owned by ALTISOURCE following the Separation and includes, but is not limited to, the Intellectual Property set forth on Schedule I hereto.

"ALTISOURCE Parent" shall have the meaning set forth in the recitals hereof.

"ALTISOURCE S.à.r.l." shall have the meaning set forth in the preamble hereof.

"Confidential Information" means information that constitutes trade secrets or confidential proprietary information, regardless of medium in which the information is stored, whether now known or to be developed in the future, including but not limited to all written technical information, data, specifications, research and development information, engineering drawings, operating and maintenance manuals and materials, analyses prepared by consultants and other third parties, all cost information, sales and pricing data, customer prospect lists, supplier records, customer and supplier lists, customer and vendor data, development and manufacturing files, vendor and customer drawings, formulations and specifications, quality records and reports, and financial records and reports.

"Disclosing Party" shall have the meaning set forth in Section 10(b) below.

"Effective Date" means the Separation Date.

"Intellectual Property" means all domestic and foreign patents, copyrights, trade names, domain names, trademarks, service marks, registrations and applications for any of the foregoing, databases, mask works, Confidential Information, inventions (whether or not patentable or patented), processes, know-how, procedures, computer applications, programs and other software, including operating software, network software, firmware, middleware, design software, design tools, systems documentation, manuals, and instructions, other proprietary information, and licenses from third parties granting the right to use any of the foregoing.



"Initial Term" means the term of this Agreement that begins on the Effective Date and ends on the eighth anniversary of the Effective Date.

"Invoiced Amount" shall have the meaning set forth in Section 5(b) below.

"IP Fee Letter" shall have the meaning set forth in Section 5(a) below.

"Licensed Intellectual Property" means the Intellectual Property being licensed to OCWEN hereunder, including the Intellectual Property contained in Schedule II attached hereto, as that schedule may be amended from time to time in ALTISOURCE's sole discretion.

"Licensed Marks" means the trademarks and service marks identified as "Trademarks" in Schedule II to this Agreement, as that schedule may be modified by ALTISOURCE in its sole discretion, and used in conjunction with the offering and provision of the licensed goods or services.

"Licensed Technology" means all Licensed Intellectual Property, excluding the Licensed Marks, necessary for OCWEN to enjoy the benefit of the Services.

"Licensed Software" means any of the following software programs: RealServicing, RealTrans, RealResolution, RealPortal, RealDoc, RealSynergy and any other software developed after the date hereof licensed from ALTISOURCE to OCWEN that is integral to OCWEN's operations.

"Licensee" shall mean the Party who has been granted a right to use the other Party's Intellectual Property.

"Licensor" shall mean the Party who has granted the other Party a right to use its Intellectual Property.

"OCWEN" shall mean OFC and the members of the OCWEN Group.

"OCWEN Competitor" means any Person (other than OCWEN), together with its Affiliates, that provides residential loan servicing services in the United States. For purposes of this definition, "Person" includes any "group" as that term is used in Section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934, and "beneficial ownership" shall have the meaning provided in Rule 13d-3 under the Securities Exchange Act of 1934.

"OCWEN Indemnities" shall have the meaning set forth in Section 15 below.

"OCWEN IP" shall mean any Intellectual Property owned by OCWEN following the Separation and used in conjunction with any services provided by OCWEN to ALTISOURCE under the Transition Services Agreement.

"OFC" shall have the meaning set forth in the preamble hereof.

"Party" shall mean a party to this Agreement, and "Parties" shall mean all parties to this Agreement.

"Receiving Party:" shall have the meaning set forth in Section 10(b) below.

"Renewal Terms" means any one or more subsequent five-year renewal terms of this Agreement, or such shorter subsequent period if this Agreement is terminated.

"Section" means any enumerated paragraph of this Agreement.

"Services" means the "ALTISOURCE-Provided Services" as defined in the Transition Services Agreement, the "Services" as defined in the Service Agreement and the "Services" as defined in the Technology Products Services Agreement.

"Software Change of Control" means at any time, with respect to ALTISOURCE, the occurrence of any of the following: (a) ALTISOURCE transfers all or substantially all of its rights and title to (i) any of the Licensed Software or (ii) any other Licensed Intellectual Property, the effect of which is material and adverse to Ocwen, in either case to an OCWEN Competitor, or (b) any OCWEN Competitor, (i) acquires (whether through legal or "beneficial ownership," by contract or otherwise), directly or indirectly, the right to vote more than 50% of the total voting power of all common stock of Altisource S.à r.l. or Altisource Parent then outstanding, or (ii) shall have elected, or caused to be elected, a sufficient number of its or their nominees to the board of directors of ALTISOURCE S.à r.l. or ALTISOURCE Parent such that the nominees so elected (regardless of when elected) shall collectively constitute a majority of the board of directors of ALTISOURCE S.à r.l. or ALTISOURCE Parent.

"Term" means the Initial Term and any Renewal Terms.

"Territory:" means the United States and its territories.

## 2. Transfer of ALTISOURCE IP

a) OCWEN will Transfer or cause to be Transferred all right, title and interest in and to the ALTISOURCE IP owned by OCWEN to ALTISOURCE effective on the Effective Date free and clear of all liens and encumbrances. To accomplish this, OCWEN will execute an assignment in form substantially similar to that attached hereto as Exhibit A, including all exhibits thereto.

b) Upon the request of ALTISOURCE, OCWEN, on its own behalf and on behalf of the members of the OCWEN Group, will execute or cause to be executed such further documents and will do such further acts or will cause such further acts to be done as are necessary to accomplish the full and complete Transfer of all ALTISOURCE IP to ALTISOURCE.

c) The Parties will cooperate with one another to the extent necessary to accomplish the full and complete Transfer of ALTISOURCE IP to ALTISOURCE, including the recordation of all appropriate documents reflecting ALTISOURCE's

ownership of the ALTISOURCE IP with government agencies having jurisdiction over such matters.

d) Section 2.08 of the Separation Agreement concerning "Inadvertent or Incorrect Transfers or Omissions of Assets or Liabilities" shall apply to the transfer of the ALTISOURCE IP to ALTISOURCE.

3. ALTISOURCE Grant of License; Reservation of Rights

a) ALTISOURCE hereby grants and confirms to OCWEN the non-exclusive license and non-exclusive right to use that portion of the Licensed Intellectual Property necessary to use and enjoy the Services or otherwise necessary for OCWEN to perform its residential loan servicing operations, for itself and for the OCWEN Group, solely in the Territory, and the limited, non-exclusive, fully paid-up, nontransferable, revocable right to access or to otherwise use, for the term of this Agreement, all Intellectual Property owned by or, to the extent permitted by the applicable license, licensed to ALTISOURCE solely to the extent necessary for ALTISOURCE to perform its obligations to supply any services to OCWEN under the Services Agreements anywhere in the world, subject to ALTISOURCE's rights of approval and control under this Agreement, which approval will not be unreasonably delayed or withheld.

b) To the extent that ALTISOURCE ceases to provide any particular Services, the license granted hereunder for the Licensed Intellectual Property pertinent to such Services will likewise cease, unless and to the extent that the same Licensed Intellectual Property is required for OCWEN's enjoyment of any other Services being provided by ALTISOURCE for the benefit of OCWEN at the time of cessation or in the future.

c) The Parties agree that it is critical that the Licensed Intellectual Property be protected and enhanced, and toward this end, OCWEN agrees, both during the Term and thereafter, not to:

- i) combine any name or names, service marks, or trademarks with the Licensed Marks;
- ii) use any other name or names, service marks, or trademarks in association with the Licensed Marks in any advertising, promotion, publicity, labeling, packaging or printed matter of any kind utilized by OCWEN without ALTISOURCE's prior express written consent;
- iii) do or suffer to be done any act that may in any way adversely affect any rights of ALTISOURCE in and to the Licensed Intellectual Property or any registrations thereof or which, directly or indirectly, may reduce the value of the Licensed Intellectual Property or detract from them or the reputation of ALTISOURCE;

iv) challenge the title or rights of ALTISOURCE in or to the Licensed Intellectual Property;

v) apply to register or maintain any application or registration respecting the Licensed Intellectual Property or any other mark or domain name confusingly similar to the Licensed Marks, or domain names licensed hereunder, except with the consent and direction of ALTISOURCE and in the name of ALTISOURCE, unless otherwise directed by ALTISOURCE;

vi) use any colorable imitation of any of the Licensed Marks or any variant form (including variant design forms, logos, colors, or type styles) not specifically approved by ALTISOURCE;

vii) misuse the Licensed Intellectual Property or take any action that would tend to destroy or diminish the value of the Licensed Intellectual Property; or

viii) make use of the Licensed Technology beyond the internal enjoyment and exploitation of the Services.

d) The Parties agree that all use by OCWEN of the Licensed Intellectual Property under the terms of this Agreement inures to the benefit of ALTISOURCE.

e) OCWEN agrees to: (i) cooperate fully with ALTISOURCE in securing and maintaining the ownership and goodwill of ALTISOURCE in the Licensed Intellectual Property; and (ii) to assist ALTISOURCE, at ALTISOURCE's direction, in the protection, enhancement, maintenance, and enforcement of ALTISOURCE's rights in the Licensed Intellectual Property.

f) ALTISOURCE reserves all rights in and to the Licensed Intellectual Property, and ALTISOURCE may exercise such rights at any time. In that regard, nothing herein shall be deemed to prevent ALTISOURCE, at any time, from using and granting to third parties the right to use the Licensed Intellectual Property in the Territory or elsewhere in connection with the Services.

g) OCWEN shall not exploit the Licensed Intellectual Property licensed hereunder outside the Territory or for any purpose beyond its use and enjoyment of the Services without the prior express written consent of ALTISOURCE.

h) Nothing herein shall be deemed to be a grant to OCWEN of the right to use or exploit any Licensed Intellectual Property beyond that licensed hereunder.

#### 4. OCWEN Grant of License; Reservation of Rights

a) OCWEN hereby grants and confirms to ALTISOURCE the non-exclusive license and non-exclusive right to use that portion of OCWEN IP necessary to use and enjoy the services OCWEN is to provide ALTISOURCE under the Transition Services Agreement or otherwise necessary for ALTISOURCE to perform its mortgage services, financial services or technology products operations, for itself and for the ALTISOURCE

Group, and the limited, non-exclusive, fully paid-up, nontransferable, revocable right to access or to otherwise use, for the term of this Agreement, all Intellectual Property owned by or, to the extent permitted by the applicable license, licensed to OCWEN solely to the extent necessary for OCWEN to perform its obligations to supply any services to ALTISOURCE, subject to OCWEN's rights of approval and control under this Agreement, which approval will not be unreasonably delayed or withheld.

b) To the extent that OCWEN ceases to provide any particular services to ALTISOURCE, the license granted hereunder for the OCWEN IP pertinent to such services will likewise cease, unless and to the extent that the same OCWEN IP is required for ALTISOURCE's enjoyment of any other services being provided by OCWEN for the benefit of ALTISOURCE at the time of cessation or in the future.

c) The Parties agree that it is critical that the OCWEN IP be protected and enhanced, and toward this end, ALTISOURCE agrees, both during the Term and thereafter, not to:

- i) combine any name or names, service marks, or trademarks with any marks included in the OCWEN IP;
- ii) use any other name or names, service marks, or trademarks in association with any marks among the OCWEN IP in any advertising, promotion, publicity, labeling, packaging or printed matter of any kind utilized by ALTISOURCE without OCWEN's prior express written consent;
- iii) do or suffer to be done any act that may in any way adversely affect any rights of OCWEN in and to the OCWEN IP or any registrations thereof or which, directly or indirectly, may reduce the value of the OCWEN IP or detract from them or the reputation of OCWEN.
- iv) challenge the title or rights of OCWEN in or to the OCWEN IP;
- v) apply to register or maintain any application or registration respecting the OCWEN IP or any other mark or domain name confusingly similar to any marks included in the OCWEN IP, except with the consent and direction of OCWEN and in the name of OCWEN, unless otherwise directed by OCWEN;
- vi) use any colorable imitation of any of the marks included in the OCWEN IP or any variant form (including variant design forms, logos, colors, or type styles) not specifically approved by OCWEN; or
- vii) misuse the OCWEN IP or take any action that would tend to destroy or diminish the value of the OCWEN IP.
- viii) make use of any technology contained within the OCWEN IP beyond the internal enjoyment and exploitation of the services to be provided to ALTISOURCE by OCWEN.

d) The Parties agree that all use by ALTISOURCE of the OCWEN IP under the terms of this Agreement inures to the benefit of OCWEN.

e) ALTISOURCE agrees to: (i) cooperate fully with OCWEN in securing and maintaining the ownership and goodwill of OCWEN in the OCWEN IP; and (ii) to assist OCWEN, at OCWEN's direction, in the protection, enhancement, maintenance, and enforcement of OCWEN's rights in the OCWEN IP.

f) OCWEN reserves all rights in and to the OCWEN IP, and OCWEN may exercise such rights at any time. In that regard, nothing herein shall be deemed to prevent OCWEN, at any time, from using and granting to third parties the right to use the OCWEN IP.

g) Nothing herein shall be deemed to be a grant to ALTISOURCE of the right to use or exploit any OCWEN IP beyond that licensed hereunder.

#### 5. Royalties

a) In consideration of the rights granted to the respective Parties under this Agreement, each Party shall provide reports and pay the other Party the royalties set forth in that certain fee letter between OCWEN and ALTISOURCE dated as of the date hereof (the "IP Fee Letter").

b) Each Party, as Licensor, shall submit statements of account to the other Party, as Licensee, on a monthly basis with respect to all amounts payable by the Licensee to the Licensor hereunder (the "Invoiced Amount"), setting out the royalty amount billed to the Licensee. The Licensee shall pay the Invoiced Amount to the Licensor by wire transfer of immediately available funds to an account or accounts specified by the Licensor, or in such other manner as specified by the Licensor in writing, or as otherwise reasonably agreed to by the Parties hereto, within 30 days of the date of delivery to the Licensee of the applicable statement of account; provided, that, in the event of any dispute as to an Invoiced Amount, the Licensee shall pay the undisputed portion, if any, of such Invoiced Amount in accordance with the foregoing, and shall pay the remaining amount, if any, promptly upon resolution of such dispute.

#### 6. Term and Renewal

Subject to the provisions of Sections 3(b), 4(b) and 11, this Agreement will survive for the Initial Term and will automatically renew for four two-year increments following the Initial Term, provided that (a) each Party has fully complied with its obligations under this Agreement and has maintained a performance standard acceptable to the other Party during the prior term and (b) the Agreement has not been terminated.

#### 7. Quality Control

a) The Parties recognize and acknowledge that the offering of goods or services of inferior quality under the any licensed marks hereunder may damage the

business reputation of the Parties and the goodwill associated with such marks. Accordingly, in order to maintain the respective Parties' reputation for quality, the Licensee will provide products and/or services under the licensed marks of a quality no less than its current quality. And all promotional material utilizing the licensed marks must be approved in writing by the Licensor prior to use.

b) The Licensee shall at all times and in all places permit the Licensor, by representatives designated by the Licensor, to inspect the use made of the Licensed Intellectual Property and the OCWEN IP, respectively, under this Agreement. At all times, the Licensee shall comply with the reasonable quality control procedures furnished or approved, from time to time, by the Licensor concerning use of the licensed marks and the quality of any goods or services offered thereunder. Upon reasonable prior notice, the Licensor may inspect and review the offices and records of the Licensee during normal business hours for compliance with this or any other provision of this Agreement.

c) The Licensee shall use and display the licensed marks only in such form and manner as are specifically approved in advance by the Licensor.

d) The Licensee shall cause to appear the legends, markings, and notices that the Licensor may direct on all material used by the Licensee in connection with the Licensed Intellectual Property and OCWEN IP, respectively, and on any printed matter on which the Licensee elects to have licensed marks appear.

e) The Licensee shall be permitted to use any designs, materials, packages, labels, promotional materials and advertising materials in relation to any goods or services approved by the Licensor; provided, however, that in the event that, after the Effective Date, any such design, material, package, label, promotional material or advertising material is materially modified, or the manner in which any of the foregoing is used is proposed to be materially modified, the Licensee shall obtain the written approval of the Licensor (such approval not to be unreasonably withheld) for such design, material, package, label, promotional material, advertising material or such modified use thereof prior to any use thereof.

#### 8. Advertising and Promotion

The Licensee shall provide to the Licensor, free of charge for its permanent archives, copies or representative samples of all advertising and promotional materials bearing any licensed marks.

#### 9. Intellectual Property Rights Ownership

a) OCWEN acknowledges that ALTISOURCE is the owner of all right, title and interest in and to the ALTISOURCE IP and the Licensed Intellectual Property and is also the owner of the goodwill related to or that shall become related to any marks included in the ALTISOURCE IP and the Licensed Marks.

b) ALTISOURCE acknowledges that OCWEN is the owner of all right, title and interest in and to the OCWEN IP and is also the owner of the goodwill related to or that shall become related to the marks included in the OCWEN IP.

c) At the Licensor's request, the Licensee shall execute any documents reasonably required by the Licensor to confirm the Licensor's ownership of all rights in and to, for ALTISOURCE as Licensor, the ALTISOURCE IP and the Licensed Intellectual Property, and, for OCWEN as Licensor, the OCWEN IP and the respective rights of ALTISOURCE and OCWEN pursuant to this Agreement. The Licensee shall cooperate with the Licensor in connection with the filing and prosecution by the Licensor of applications to register, for ALTISOURCE, the ALTISOURCE IP and Licensed Intellectual Property and, for OCWEN, the OCWEN IP, and in connection with the maintenance and renewal of any such registrations that may issue.

d) The Licensee shall use the licensed Intellectual Property strictly in compliance with the legal requirements obtaining in the Territory or wherever the services in connection with which the licensed Intellectual Property may be rendered and shall use such markings in connection therewith as may be required by applicable law.

e) Any challenge by the Licensee to the rights of the Licensor in the licensed Intellectual Property or any attempt to register licensed Intellectual Property in the Licensee's or any other party's name shall be deemed a material and incurable default hereunder.

f) OCWEN, pursuant to Section 3, shall not use, and shall not cause or permit any third party to use, the Licensed Intellectual Property in any unlawful or deceptive manner or in any other way that is likely to directly or indirectly tarnish, dilute, denigrate, diminish, lessen the value of or invalidate any of Licensed Intellectual Property.

g) ALTISOURCE, pursuant to Section 4, shall not use, and shall not cause or permit any third party to use, the OCWEN IP in any unlawful or deceptive manner or in any other way that is likely to directly or indirectly tarnish, dilute, denigrate, diminish, lessen the value of or invalidate any of the OCWEN IP.

h) Any technology or Intellectual Property jointly developed by the Parties shall become the property of ALTISOURCE and shall constitute ALTISOURCE IP. OCWEN shall cooperate with ALTISOURCE in connection with the filing and prosecution by ALTISOURCE of applications to register, for ALTISOURCE, any such jointly developed technology and Intellectual Property, and in connection with the maintenance and renewal of any such registrations that may issue.



i) Each of the Parties acknowledges and agrees that (i) OCWEN will continue to own all of its loan servicing data, and (ii) OCWEN will grant to ALTISOURCE free access to such loan servicing data, including, without limitation, allowing ALTISOURCE to backup such loan servicing data in accordance with ALTISOURCE's reasonable standard practices, and nothing in this Agreement shall limit ALTISOURCE's ability to use any such data.

j) Within 120 days of the date hereof, ALTISOURCE shall establish and maintain a copy of the source code and the object code for all Licensed Software, along with programmer's notes and other materials sufficient to permit OCWEN to understand the design and operation of the Licensed Software (collectively, all such material the "Escrow Material") in escrow with a recognized escrow agent on terms and conditions reasonably acceptable to OCWEN, including, but not limited to, identifying the occurrence of a Software Change of Control following which OCWEN's rights to the Licensed Software are materially and adversely impaired as a release condition for the affected Licensed Software (such agreement for escrow shall be referred to as the "Escrow Agreement"). On the last day of each calendar quarter or such other period as the Parties may jointly agree, ALTISOURCE shall deposit into such escrow, Escrow Material corresponding to any new release or upgrades of existing Licensed Software or new Licensed Software that has been licensed to OCWEN during the preceding quarter, if any. None of the Escrow Material shall contain devices of any kind that would prevent the use of the Escrow Material; provided, however, that, if the Licensed Software normally includes password protection, the use of software keys or other devices that disable or limit its use, then the Escrow Material shall include: (1) the passwords, software keys and any other items necessary to allow a party to fully utilize the Licensed Software; (2) instructions for the use of such passwords, software keys and other items; and (3) the means to generate additional passwords, software keys and other such items for subsequent licensees. OCWEN may at any time request verification of the Escrow Material in accordance with the verification procedures set forth in the Escrow Agreement, and ALTISOURCE shall comply with their verification obligations set forth in the Escrow Agreement.

10. Confidentiality

a) Confidential Information . The Parties acknowledge that information to be shared between ALTISOURCE and OCWEN may be Confidential Information.

b) Duty of Confidentiality. To the extent a Party ("Disclosing Party") shares Confidential Information with the other Party ("Receiving Party"), the Receiving Party agrees to secure and protect the confidentiality of the Disclosing Party's Confidential Information in a manner consistent with the maintenance of the Disclosing Party's rights therein, using at least as great a degree of care as the Receiving Party uses to maintain the confidentiality of its own Confidential Information of a similar nature, but in no event using less than a commercially reasonable degree of care. The Receiving Party shall not disclose, disseminate, or otherwise publish or communicate the Disclosing Party's Confidential Information to any person, firm, corporation, or other third party without the prior written consent of the Disclosing Party, except to the Receiving Party's direct and

indirect employees, consultants, and representatives who have a need to know and who have been informed of and made subject to obligations corresponding to the Receiving Party's obligations hereunder.

c) Breach of Confidentiality. The Parties agree that in the event of a breach of this Section by a Receiving Party or its direct or indirect employees, consultants, or representatives, the Disclosing Party may suffer irreparable damage for which monetary relief may be inadequate. Accordingly, in addition to any other remedies available to it, the Disclosing Party shall be entitled to equitable relief, including specific performance and other injunctive relief, without the necessity of posting a bond.

11. Termination

a) If either Party materially defaults in the performance of any provision of this Agreement and such default is not cured within thirty (30) days after receiving notice of such default from the non-defaulting Party, the non-defaulting Party shall be entitled to terminate this Agreement effective immediately upon delivery of final written notice to the defaulting Party.

b) If a Party (i) becomes insolvent, (ii) files a petition in bankruptcy or insolvency, is adjudicated bankrupt or insolvent or files any petition or answer seeking reorganization, readjustment or arrangement of its business under any law relating to bankruptcy or insolvency, or if a receiver, trustee or liquidator is appointed for any of the property of the Party and within 60 days thereof such Party fails to secure a dismissal thereof or (iii) makes any assignment for the benefit of creditors, then and in that event only, the Party that is not the subject of such proceedings may terminate this Agreement immediately upon written notice.

12. Post-Termination; Expiration of Rights and Obligations

a) If this Agreement is terminated for any cause or no cause or expires, all rights to use the Licensed Intellectual Property granted under this Agreement shall forthwith revert to ALTISOURCE, and OCWEN and its receivers, representatives, trustees, agents, administrators, successors, or permitted assigns shall have no right after the effective date of termination to use or exploit any Licensed Intellectual Property, including no right to use, sell, ship, market, or distribute products, services, or promotional materials bearing the Licensed Marks, unless they have received the prior written approval of ALTISOURCE. All materials bearing the Licensed Marks and all copies of materials embodying or incorporating the Licensed Intellectual Property shall be destroyed or disposed of in a manner authorized by ALTISOURCE. Upon ALTISOURCE's request, OCWEN shall provide evidence satisfactory to ALTISOURCE of destruction or other disposition of such materials and things. OCWEN must do all things necessary to withdraw all filings that reflect OCWEN as a registered, licensed, or authorized user of any Licensed Intellectual Property.

b) If this Agreement is terminated for any cause or no cause or expires, all rights to use the OCWEN IP granted under this Agreement shall forthwith revert to

OCWEN, and ALTISOURCE and its receivers, representatives, trustees, agents, administrators, successors, or permitted assigns shall have no right after the effective date of termination to use or exploit any OCWEN IP, including no right to use, sell, ship, market, or distribute products, services, or promotional materials bearing the marks contained in the OCWEN IP, unless they have received the prior written approval of OCWEN. All materials bearing the marks contained in the OCWEN IP and all copies of materials embodying or incorporating the OCWEN IP shall be destroyed or disposed of in a manner authorized by OCWEN. Upon OCWEN's request, ALTISOURCE shall provide evidence satisfactory to OCWEN of destruction or other disposition of such materials and things. ALTISOURCE must do all things necessary to withdraw all filings that reflect ALTISOURCE as a registered, licensed, or authorized user of any OCWEN IP.

c) If this Agreement is terminated for any cause or no cause or expires, all materials containing Confidential Information of a Disclosing Party shall be destroyed or disposed of in a manner authorized by the Disclosing Party. Upon the Disclosing Party's request, the Receiving Party shall provide evidence satisfactory to the Disclosing Party of destruction or other disposition of such materials and things.

d) Upon termination, all payments due a Licensor shall become immediately due and payable.

13. Notice of Infringement and Cooperation

a) ALTISOURCE, if it so desires, may commence to prosecute any proceedings, claims, or suits to protect the Licensed Intellectual Property in ALTISOURCE's own name or in the name of OCWEN or join OCWEN as a party thereto. OCWEN agrees to supply ALTISOURCE with such information as ALTISOURCE may reasonably request, including information regarding sales and promotion, to aid ALTISOURCE in the acquisition, maintenance, and renewal of applications and registrations of the Licensed Intellectual Property, in the recordal of this Agreement, in the entry of OCWEN as a registered or authorized user of the Licensed Intellectual Property, or in furtherance of any other purpose related to the acquisition, preservation, protection, or defense of the Licensed Intellectual Property.

b) OCWEN, if it so desires, may commence to prosecute any proceedings, claims, or suits to protect the OCWEN IP in OCWEN's own name or in the name of ALTISOURCE or join ALTISOURCE as a party thereto. ALTISOURCE agrees to supply OCWEN with such information as OCWEN may reasonably request, including information regarding sales and promotion, to aid OCWEN in the acquisition, maintenance, and renewal of applications and registrations of the OCWEN IP, in the recordal of this Agreement, in the entry of ALTISOURCE as a registered or authorized user of the OCWEN IP or in furtherance of any other purpose related to the acquisition, preservation, protection, or defense of the OCWEN IP.

c) Each Licensee agrees to notify the Licensor promptly in writing in the event it becomes aware of any third party infringing, misusing, or otherwise violating any of the rights of the Licensor in its Intellectual Property, or who the Licensee believes is,

or may be infringing, diluting, or otherwise derogating the Intellectual Property of the Licensor. The Licensor may, in its sole discretion, take action against such third party to enforce its interests in its Intellectual Property, and in such event shall be entitled to retain all monetary recovery from any such third party by way of judgment, settlement, or otherwise. The Licensee agrees to cooperate promptly and fully with any such effort, provided, however, that the Licensor shall reimburse the Licensee for all of its out-of-pocket expenses, not including attorneys' fees, incurred as a result of such assistance.

14. Dispute Resolution.

a) It is the intent of the Parties to use reasonable best efforts to resolve expeditiously any dispute, controversy or claim between or among them with respect to the matters covered hereby that may arise from time to time on a mutually acceptable negotiated basis. In furtherance of the foregoing, a Party involved in a dispute, controversy or claim may deliver a notice (an "Escalation Notice") demanding an in-person meeting involving representatives of the Parties at a senior level of management (or if the Parties agree, of the appropriate strategic business unit or division within such entity). A copy of any such Escalation Notice shall be given to the General Counsel, or like officer or official, of the Party involved in the dispute, controversy or claim (which copy shall state that it is an Escalation Notice pursuant to this Agreement). Any agenda, location or procedures for such discussions or negotiations between the Parties may be established by the Parties from time to time; provided, however, that the Parties shall use commercially reasonable efforts to meet within 30 days of the Escalation Notice.

15. Indemnification

a) OCWEN shall indemnify, defend and hold harmless ALTISOURCE, each other member of the ALTISOURCE Group and each of their respective former and current directors, officers and employees, and each of the heirs, executors, successors and assigns of any of the foregoing (collectively, the "ALTISOURCE Indemnitees") with legal counsel reasonably acceptable to ALTISOURCE from and against all demands, claims, injuries, losses, damages, actions, suits, causes of action, proceedings, judgments, liabilities, and expenses, including attorneys' fees, court costs, and other legal expenses, arising out of or connected with the violation of the proprietary rights of any third party through OCWEN's actions, including, but not limited to, liability due solely to the negligence or recklessness of OCWEN, or of a breach of any representation or warranty made by OCWEN in this Agreement. ALTISOURCE shall give to OCWEN notice of any such claim or suit as soon as possible and afford OCWEN the opportunity to defend the claim at its own expense through counsel of its own choice. Unless approved in writing, OCWEN, its representatives, agents, and assigns shall not voluntarily settle any such claim or suit in a manner that might in any way adversely affect or be in derogation of any rights of ALTISOURCE in and to the Licensed Intellectual Property or constitute any admission in respect thereof or otherwise. Nothing herein shall preclude ALTISOURCE from participating in any manner through counsel of its own choosing at its own expense, and no approval by ALTISOURCE of any action by OCWEN shall

affect any right of ALTISOURCE to indemnification hereunder. ALTISOURCE agrees to cooperate to the extent reasonably necessary to reduce or eliminate the indemnified liability.

b) ALTISOURCE shall indemnify, defend and hold harmless OCWEN, each other member of the OCWEN Group and each of their respective former and current directors, officers and employees, and each of the heirs, executors, successors and assigns of any of the foregoing (collectively, the "OCWEN Indemnitees") with legal counsel reasonably acceptable to OCWEN from and against all demands, claims, injuries, losses, damages, actions, suits, causes of action, proceedings, judgments, liabilities, and expenses, including attorneys' fees, court costs, and other legal expenses, arising out of or connected with the violation of the proprietary rights of any third party through ALTISOURCE's actions, including, but not limited to, liability due solely to the negligence or recklessness of ALTISOURCE, or of a breach of any representation or warranty made by ALTISOURCE in this Agreement. OCWEN shall give to ALTISOURCE notice of any such claim or suit as soon as possible and afford ALTISOURCE the opportunity to defend the claim at its own expense through counsel of its own choice. Unless approved in writing, ALTISOURCE, its representatives, agents, and assigns shall not voluntarily settle any such claim or suit in a manner that might in any way adversely affect or be in derogation of any rights of OCWEN or constitute any admission in respect thereof or otherwise. Nothing herein shall preclude OCWEN from participating in any manner through counsel of its own choosing at its own expense, and no approval by OCWEN of any action by ALTISOURCE shall affect any right of OCWEN to indemnification hereunder. OCWEN agrees to cooperate to the extent reasonably necessary to reduce or eliminate the indemnified liability.

16. Representations and Warranties

a) OCWEN represents on behalf of itself and each member of the OCWEN Group, and ALTISOURCE represents on behalf of itself and each member of the ALTISOURCE Group, as follows:

- i) each Person has the requisite corporate or other power and authority and has taken all corporate or other action necessary in order to execute, deliver and perform each of this Agreement to which it is a party and to consummate the transactions contemplated hereby and thereby; and
- ii) this Agreement will be on or prior to the Separation Date duly executed and delivered by it and constitutes, or will constitute, a valid and binding agreement of it enforceable in accordance with the terms thereof.

17. DISCLAIMERS OF WARRANTIES

a) EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, ALTISOURCE HAS NOT MADE, AND IS NOT MAKING, ANY REPRESENTATION OR WARRANTY TO OCWEN, INCLUDING WITH RESPECT

TO THE LICENSED INTELLECTUAL PROPERTY, THE SERVICES, OR THE PROSPECTS OF THE BUSINESS TO BE CONDUCTED BY OCWEN. EXCEPT AS EXPRESSLY WARRANTED HEREIN, ALTISOURCE EXPRESSLY DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, STATUTORY, OR OTHERWISE, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, AND DURABILITY; ANY WARRANTY WITH RESPECT TO INTELLECTUAL PROPERTY INFRINGEMENT; AND ANY WARRANTY ARISING FROM A COURSE OF DEALING OR USAGE OF TRADE. ALTISOURCE DOES NOT WARRANT THAT ANY SOFTWARE OR SERVICES COVERED UNDER THIS AGREEMENT WILL MEET ALL OF OCWEN'S REQUIREMENTS OR THAT THE USE OF ANY SOFTWARE WILL BE UNINTERRUPTED (FOR WHATEVER REASON), BE FREE FROM PROGRAMMING OR OTHER ERRORS, OR WILL BE SAFE FROM VIRUSES, WORMS OR SECURITY BREACHES. ALTISOURCE HAS NOT AUTHORIZED AND DOES NOT AUTHORIZE ANYONE TO MAKE ANY WARRANTIES ON ALTISOURCE'S BEHALF.

b) EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, OCWEN HAS NOT MADE, AND IS NOT MAKING, ANY REPRESENTATION OR WARRANTY TO ALTISOURCE, INCLUDING WITH RESPECT TO THE OCWEN IP, THE ALTISOURCE IP, THE SERVICES IT WILL PROVIDE TO ALTISOURCE, OR THE PROSPECTS OF THE BUSINESS TO BE CONDUCTED BY ALTISOURCE. EXCEPT AS EXPRESSLY WARRANTED HEREIN, OCWEN EXPRESSLY DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, STATUTORY, OR OTHERWISE, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, AND DURABILITY; ANY WARRANTY WITH RESPECT TO INTELLECTUAL PROPERTY INFRINGEMENT; AND ANY WARRANTY ARISING FROM A COURSE OF DEALING OR USAGE OF TRADE. OCWEN DOES NOT WARRANT THAT ANY SOFTWARE OR SERVICES COVERED UNDER THIS AGREEMENT WILL MEET ALL OF ALTISOURCE'S REQUIREMENTS OR THAT THE USE OF ANY SOFTWARE WILL BE UNINTERRUPTED (FOR WHATEVER REASON), BE FREE FROM PROGRAMMING OR OTHER ERRORS, OR WILL BE SAFE FROM VIRUSES, WORMS OR SECURITY BREACHES. OCWEN HAS NOT AUTHORIZED AND DOES NOT AUTHORIZE ANYONE TO MAKE ANY WARRANTIES ON OCWEN'S BEHALF.

18. LIMITATION OF LIABILITY

REGARDLESS OF THE FORM OR NATURE OF ANY ACTION, CAUSE OF ACTION, OR CLAIM, UNDER NO CIRCUMSTANCES SHALL A PARTY BE LIABLE FOR ANY SPECIAL, EXEMPLARY, PUNITIVE, INDIRECT, INCIDENTAL, CONSEQUENTIAL OR TREBLE DAMAGES OF ANY CHARACTER; ANY LOSS OF PROFITS, LOSS OF USE, LOSS OF BUSINESS REVENUE, LOSS OF INCOME, LOSS OF DATA, OR LOSS OF BUSINESS OPPORTUNITY; FAILURE TO REALIZE EXPECTED SAVINGS; OR COSTS OF COVER, ARISING OUT OF OR RELATING TO THIS AGREEMENT, THE

LICENSED INTELLECTUAL PROPERTY, THE OCWEN IP, OR THE ALTISOURCE IP, EVEN IF THE PARTY HAS BEEN INFORMED OF THE POSSIBILITY OF SUCH DAMAGES.

19. Costs and Expenses

- a) Each Party shall bear and pay all costs and expenses arising in connection with its performance under this Agreement.
- b) In the event that a Licensee does not make any payment required under the provisions of this Agreement to a Licensor when due in accordance with the terms hereof, the Licensor may, at its option, charge the Licensee interest on the unpaid amount at the rate of 2% per annum above the prime rate charged by JPMorgan Chase Bank, N.A. (or its successor). In addition, the Licensee shall reimburse the Licensor for all costs of collection of overdue amounts, including any reasonable attorneys' fees.
- c) Should either Party incur any costs, including attorneys' or experts' fees, as a result of a material breach of this Agreement by the other Party, the breaching Party shall be liable to the non-breaching Party for all such costs in addition to any other relief to which the non-breaching Party may be entitled.

20. Miscellaneous

a) Counterparts; Entire Agreement; Corporate Power.

i) This Agreement and each other Ancillary Agreement may be executed in one or more counterparts, including by facsimile, all of which shall be considered one and the same agreement, and shall become effective when one or more counterparts have been signed by each party hereto or thereto and delivered to the other parties hereto or thereto.

ii) This Agreement and the exhibits and schedules hereto contain the entire agreement between the Parties with respect to the subject matter hereof, supersede all previous agreements, negotiations, discussions, writings, understandings, commitments and conversations with respect to such subject matter, and there are no agreements or understandings between the Parties with respect to the subject matter hereof other than those set forth or referred to herein or therein.

b) Governing Law. This Agreement shall be governed by and construed and interpreted in accordance with the internal laws of the State of New York applicable to contracts made and to be performed wholly in such State and irrespective of the choice of law principles of the State of New York, as to all matters.

c) Assignability. This Agreement shall inure to the benefit of and be binding upon the Parties hereto and their respective successors and permitted assigns. No Party hereto may assign either this Agreement or any of its rights, interests or obligations hereunder without the prior written approval of the other party hereto; provided, however,

that either Party may assign this Agreement without the consent of the other party to any third party that acquires, by any means, including by merger or consolidation, all or substantially all the consolidated assets of such Party, subject to Section 9j in the case of a Software Change of Control. Further, any assignee of any licensed Intellectual Property hereunder or any Person who acquires any right or title to any licensed Intellectual Property following a Software Change of Control or otherwise shall take such licensed Intellectual Property subject to the license set forth herein. Any purported assignment in violation of this Section 20(c) shall be void and shall constitute a material breach of this Agreement.

d) Third-Party Beneficiaries. Except for the indemnification rights under this Agreement of any OCWEN Indemnitee or ALTISOURCE Indemnitee in their respective capacities as such, (a) the provisions of this Agreement are solely for the benefit of the Parties hereto and are not intended to confer upon any Person except the Parties hereto any rights or remedies hereunder and (b) there are no third-party beneficiaries of this Agreement and this Agreement shall not provide any third person with any remedy, claim, liability, reimbursement, cause of action or other right in excess of those existing without reference to this Agreement.

e) Notices. All notices or other communications under this Agreement or any Ancillary Agreement shall be in writing and shall be deemed to be duly given when (a) delivered in person, (b) sent by telecopier (except that, if not sent during normal business hours for the recipient, then at the opening of business on the next business day for the recipient) to the fax numbers set forth below or (c) deposited in the United States mail or private express mail, postage prepaid, addressed as follows:

If to OCWEN, to:

Ocwen Financial Corporation  
1661 Worthington Road, Suite 100  
West Palm Beach, Florida 33409  
Attn: Corporate Secretary  
Fax No.: (561) 471-4264

If to ALTISOURCE to:

Altisource Solutions S.à r.l.  
2-8 Avenue Charles De Gaulle  
L-1653 Luxembourg  
Attn: Corporate Secretary  
Fax No.: [            ]

Either Party may, by notice to the other Party, change the address to which such notices are to be given.

f) Severability. If any provision of this Agreement or the application thereof to any Person or circumstance is determined by a court of competent jurisdiction to be



invalid, void or unenforceable, the remaining provisions hereof or thereof, or the application of such provision to Persons or circumstances or in jurisdictions other than those as to which it has been held invalid or unenforceable, shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby, so long as the economic or legal substance of the transactions contemplated hereby or thereby, as the case may be, is not affected in any manner materially adverse to either Party. Upon any such determination, the Parties shall negotiate in good faith in an effort to agree upon a suitable and equitable provision to effect the original intent of the Parties.

g) Headings. The headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

h) Survival of Covenants. Except as expressly set forth in this Agreement, the covenants in this Agreement and the liabilities for the breach of any obligations in this Agreement contained in Sections 2, 3, 4, 7b, 8, 9, 10, 12, 13, 14, 15, 16, 17, 18, 19, and 20 shall survive the termination or expiration of this Agreement.

i) Waivers of Default. Waiver by any Party hereto of any default by any other Party hereto of any provision of this Agreement shall not be deemed a waiver by the waiving Party of any subsequent or other default.

j) Specific Performance. In the event of any actual or threatened default in, or breach of, any of the terms, conditions and provisions of this Agreement, the Party or Parties who are to be hereby or thereby aggrieved shall have the right to specific performance and injunctive or other equitable relief of its rights under this Agreement, in addition to any and all other rights and remedies at law or in equity, and all such rights and remedies shall be cumulative. The other Party or Parties shall not oppose the granting of such relief. The Parties to this Agreement agree that the remedies at law for any breach or threatened breach hereof, including monetary damages, are inadequate compensation for any loss and that any defense in any action for specific performance that a remedy at law would be adequate is waived. Any requirements for the securing or posting of any bond with such remedy are waived.

k) Amendments. No provisions of this Agreement shall be deemed waived, amended, supplemented or modified by any Party hereto, unless such waiver, amendment, supplement or modification is in writing and signed by the authorized representative of the Party against whom it is sought to enforce such waiver, amendment, supplement or modification.

l) Interpretation. Words in the singular shall be held to include the plural and vice versa and words of one gender shall be held to include the other genders as the context requires. The terms "hereof," "herein," "and "herewith" and words of similar import, unless otherwise stated, shall be construed to refer to this Agreement as a whole (including all of the schedules and exhibits hereto) and not to any particular provision of this Agreement. Section, Exhibit, and Schedule references are to the sections, exhibits, and schedules of or to this Agreement unless otherwise specified. Any reference herein

to this Agreement, unless otherwise stated, shall be construed to refer to this Agreement as amended, supplemented or otherwise modified from time to time, as permitted by the terms hereof. The word "including" and words of similar import when used in this Agreement shall mean "including, without limitation," unless the context otherwise requires or unless otherwise specified. The word "or" shall not be exclusive. There shall be no presumption of interpreting this Agreement or any provision hereof against the draftsman of this Agreement or any such provision.

m) Jurisdiction; Service of Process; Limitations. Any action or proceeding arising out of or relating to this Agreement shall be brought in the courts of the State of New York located in the County of New York or in the United States District Court for the Southern District of New York (if any party to such action or proceeding has or can acquire jurisdiction), and each of the Parties hereto irrevocably submits to the exclusive jurisdiction of each such court in any such action or proceeding, waives any objection it may now or hereafter have to venue or to convenience of forum, agrees that all claims in respect of the action or proceeding shall be heard and determined only in any such court and agrees not to bring any action or proceeding arising out of or relating to this Agreement in any other court. The Parties to this Agreement agree that any of them may file a copy of this paragraph with any court as written evidence of the knowing, voluntary and bargained agreement between the Parties hereto irrevocably to waive any objections to venue or to convenience of forum. Process in any action or proceeding referred to in the first sentence of this Section may be served on any Party to this Agreement anywhere in the world. Neither Party hereto may bring an action against the other under this Agreement (whether for breach of contract, negligence or otherwise) more than twelve months after that Party becomes aware of the cause of action or one year after the termination of this Agreement, whichever is shorter.

n) WAIVER OF JURY TRIAL. EACH PARTY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY, WAIVES (TO THE EXTENT PERMITTED BY APPLICABLE LAW) ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY OF ANY DISPUTE ARISING UNDER OR RELATING TO THIS AGREEMENT AND AGREES THAT ANY SUCH DISPUTE SHALL BE TRIED BEFORE A JUDGE SITTING WITHOUT A JURY.

o) Relationship. The Parties are independent contractors and none of the Parties is an employee, partner or joint venturer of the other. Under no circumstances shall any of the employees of a Party be deemed to be employees of the other Party for any purpose. No Party shall have the right to bind any other Party to any agreement with a third party or to represent itself as a partner or joint venturer of the other by reason of this Agreement.

p) Compliance with Laws . The Parties shall each comply with all applicable laws and regulations and shall obtain all appropriate government approvals pertaining to their respective operations.

q) Force Majeure . If the performance of this Agreement is interfered with by any circumstance beyond the reasonable control of the Party affected, including without

limitation governmental authority to grant any consent, approval, waiver, or authorization, or any delay on the part of any governmental authority in granting any consent, approval, waiver, or authorization, manufacturer or equipment vendor delays or deficiencies including ability to process correctly calendar date-related data, delays in repair or maintenance of sites due to restricted access by third parties, delays or barriers to construction or coverage resulting from local zoning restrictions or frequency coordination issues with incumbent wireless users, acts of God, such as fire, flood, earthquake, or other natural cause, terrorist events, riots, insurrections, war or national emergency, or strikes, boycotts, lockouts or other labor difficulties, the Party affected by the force majeure is excused on a day-by-day basis to the extent of the interference; provided that such Party shall use commercially reasonable efforts to avoid or remove the causes of such nonperformance.

r) Incorporation of Schedules and Exhibits. The Parties agree that Schedules I and II and Exhibit A are a part of this Agreement and may be modified to add, delete, or otherwise change the terms of this Agreement from time to time. Such modified or additional schedules and exhibits shall become a part of this Agreement from the date of such modification.

\* \* \* \* \*

IN WITNESS WHEREOF, the Parties have caused this Intellectual Property Agreement to be executed as of the date first written above by their duly authorized representatives.

OCWEN FINANCIAL CORPORATION

By: \_\_\_\_\_  
Name:  
Title:

ALTISOURCE SOLUTIONS S.à R.L.

By: \_\_\_\_\_  
Name:  
Title:

**SCHEDULE I**

**ALTISOURCE INTELLECTUAL PROPERTY**

**Part A to Schedule I of Intellectual Property Agreement:**

**Patents**

<b>Patents</b>			
<b>Issued</b>			
U.S. PTO Patent No.	Issue Date	Title	Inventors
7,412,418	8/12/2008	Expense Tracking, Electronic Ordering, Invoice Presentment, and Payment System and Method	William C. Erbey, Russell Bulman, Robert J. Leist, Mary Edgcomb, Donald Vetal, Armand Bonola, Stephanie Hudson, Jeffrey Neufeld, Debra Toussaint-Blackman, Rosemary Weaver, Sandra Blum, Federico Bucspun

<b>Pending</b>			
Ser. No.	Filing Date	Title	Inventors
U.S. 10/918,699	8/16/2004	Method and System for Providing Customer Relations Information	William C. Erbey, Scott Paul Conradson
U.S. 10/937,879	9/10/2004	Method and System for Vendor Management	Ralph J. Behmoiras William C. Erbey Arthur J. Castner Christopher Kennedy Keith S. Reno
U.S. 09/512,845	2/25/2000	Method for Workflow Processing Through Computer Network	Ravi Ramanathan Edmund M. Johnson Michael A. Graves
U.S. 10/408,079	4/4/2003	Method and Apparatus for Providing Selective Access to Information	Scott William Anderson

Ser. No.	Filing Date	Pending Title	Inventors
U.S. 10/102,104	3/19/2002	Management and Reporting System and Process for Use with Multiple Disparate Database	Christopher M. Ruby Chase N. Tessman Michael R. Langolf
U.S. 10/957,689	10/5/2004	Management and Reporting System and Process for Use with Multiple Disparate Database	Christopher M. Ruby Chase N. Tessman Michael R. Langolf
U.S. 11/141,209	6/1/2005	Call Center Services System and method	Dale Pickford
U.S. 11/301,247	12/13/2005	Product Optimizer	Christopher Kennedy William Erbey Bryan Hurley
U.S. 11/727,225	4/4/2003	Method and Apparatus for Providing Selective Access to Information	Scott William Anderson
U.S. 11/803,306	5/22/2006	Method and system for Loan Closing	William Erbey Christopher Kennedy Bryan Hurley

Ser. No.	Filing Date	Pending Title	Inventors
U.S. 11/802,308	5/22/2007	Method And System For Exchange	William Erbey Christopher Kennedy Bryan Hurley Andrew Combs
U.S. 12/111,714	04/29/2008 (parent filing 12/08/2003)	Expense Tracking, Electronic Ordering, Invoice Presentment, and Payment System and Method	William C. Erbey Russell Bulman Robert J. Leist Mary Edgecomb Donald Vetal Armand Bonola Stephanie Hudson Jeffrey Neufeld Debra Toussaint-Blackman Rosemary Weaver Sandra Blum Federico Bucspun
U.S. 12/335,196	12/15/2008	Vendor Assurance	Christopher Kennedy Bryan Hurley
U.S. utility	Unfiled	Method and System for Collections Optimization	William C. Erbey Ron Faris Ashish Pandey Amanjeet Saluja Deepak Dhayanithy Saurav Chawla Seth Carter
U.S. 12/334,168	12/12/2008	Ocwen Exchange	Christopher Kennedy

Ser. No.	Filing Date	Pending Title	Inventors
U.S. 12/404,958	3/16/2009	EXPENSE TRACKING, ELECTRONIC ORDERING, INVOICE PRESENTMENT, AND PAYMENT SYSTEM AND METHOD	Russell Bulman; Sandra Blum
U.S. 60/163,228	3/25/2009	APPARATUS AND METHOD FOR MODELING LOAN ATTRIBUTES	SALUJA, Amanjeet; GUPTA, Ankush; DHAYANITHY, Deepak; GUGLANI, Raman;
IN 2743 MUM 2008	12/31/2008	Method and System for Collections Optimization	William C. Erbey Ron Faris Ashish Pandey Amanjeet Saluja Deepak Dhayanithy Saurav Chawla Seth Carter
IN 979 MUM 2009	4/15/2009	APPARATUS AND METHOD FOR MODELING LOAN ATTRIBUTES	SALUJA, Amanjeet; GUPTA, Ankush; DHAYANITHY, Deepak; GUGLANI, Raman;



Part B to Schedule I of Intellectual Property Agreement:

Trademarks

Trademarks			
Country	Registered Trademark	Reg. No.	Class
European Community	REALSynergy & Design (Black & White)	6380951	09 , 36, 38
European Community	REALSynergy Logo (Black & White)	6380943	09 , 36 , 38
European Community	REALTRANS	1174531	38
European Community	REALTRANS & Arrow Design	1174515	38
European Community	REALTRANS.COM	1174440	38
European Community	WWW.REALTRANS.COM	1174473	38
Japan	REALSAMM	4690653	09
Switzerland	REALPORTAL	578928	09 , 42
Switzerland	REALSAMM	578931	09
Switzerland	REALSERVICING	578930	09 , 42
Switzerland	REALSynergy & Design (Black & White)	569462	09
Switzerland	REALSynergy Logo (Black & White)	569461	09
Switzerland	REALTRANS	578929	38
Taiwan	REALSAMM	092007306	09
United States of America	REALPORTAL	3333964	09 , 42
United States of America	REALREMIT	3083245	09
United States of America	REALREMIT	3283741	38
United States of America	REALREMIT	3493927	35 , 36
United States of America	REALSAMM	2863435	09
United States of America	REALSERVICING	2813709	09 , 42
United States of America	REALSYNERGY	2729544	09
United States of America	REALSynergy & Design (Black & White)	3481637	09
United States of America	REALSynergy Logo (Black & White)	3334360	09
United States of America	REALTRANS	2470168	38
United States of America	WE MAKE YOUR LOANS WORTH MORE	3410572	35 , 36
Benelux	ALTISOURCE*	1179382	09, 35, 36, 38, 39, 42
Benelux	ALTISOURCE PORTFOLIO SOLUTIONS*	1179383	09, 35, 36, 38, 39, 42

Country	Pending Mark	App. No.	Class
European Community	THINKING AHEAD. DELIVERING TODAY.	8210155	09 , 35 , 36 , 38 , 42
European Community	REALDOC	8216673	09 , 39 , 42
India	THINKING AHEAD. DELIVERING TODAY.	1804060	09 , 35 , 36 , 38 , 42
India	REALDOC	1807108	09 , 39 , 42
India	REALPORTAL	1701114	09 , 42
India	REALREMIT	1701116	09 , 35 , 36 , 38
India	REALSMM	1701113	09
India	REALSERVICING	1701115	09 , 42
India	REALSYNERGY	1701111	09
India	REALSynergy & Design (Black & White)	1613797	09
India	REALSynergy Logo (Black & White)	1613796	09
India	REALTRANS	1701112	38
Norway	THINKING AHEAD. DELIVERING TODAY.		09 , 35 , 36 , 38 , 42
Switzerland	THINKING AHEAD. DELIVERING TODAY.		09 , 35 , 36 , 38 , 42
Switzerland	REALDOC	506092009	09 , 39 , 42
Switzerland	REALREMIT	583202008	09 , 35 , 36 , 38

\* Denotes intellectual property that is owned by Altisource Portfolio Solutions S.A. (formerly known as Altisource Portfolio Solutions S.à r.l., formerly known as Ocwen Luxembourg S.à r.l.) prior to the Separation. Such intellectual property is being included on this Schedule for clarification purposes.

Country	Pending Mark	App. No.	Class
Switzerland	REALSYNERGY	583182008	09
Turkey	THINKING AHEAD. DELIVERING TODAY.		09 , 35 , 36 , 38 , 42
United States of America	HELPING HOMEOWNERS IS WHAT WE DO!	77/103348	35 , 36
United States of America	REALDOC	77/596166	09 , 39, 42
United States of America	THE LEADER IN LOSS MITIGATION!	77/125656	35 , 36
United States of America	THINKING AHEAD. DELIVERING TODAY.	77/593386	09 , 35 , 36 , 38 , 42
Uruguay	THINKING AHEAD. DELIVERING TODAY.	401.096	09 , 35 , 36 , 38 , 42
Benelux	ALTISOURCE PORTFOLIO SOLUTIONS & Design*	1182601	09, 35, 36, 38, 39, 42
Canada	ALTISOURCE*	1437569	09, 35, 36, 38, 39, 42
Canada	ALTISOURCE PORTFOLIO SOLUTIONS*	1437570	09, 35, 36, 38, 39, 42
European Community	ALTISOURCE*	8226177	09, 35, 36, 38, 39, 42, 45
European Community	ALTISOURCE PORTFOLIO SOLUTIONS*	8226185	09, 35, 36, 38, 39, 42, 45
India	ALTISOURCE*	Awaiting	09, 35, 36, 38, 39, 42
India	ALTISOURCE PORTFOLIO SOLUTIONS*	Awaiting	09, 35, 36, 38, 39, 42
Mauritius	ALTISOURCE*	MUM0909355	09, 35, 36, 38, 39, 42
Mauritius	ALTISOURCE PORTFOLIO SOLUTIONS*	MUM0909356	09, 35, 36, 38, 39, 42
Norway	ALTISOURCE*	200904134	09, 35, 36, 38, 39, 42
Norway	ALTISOURCE PORTFOLIO SOLUTIONS*	200904135	09, 35, 36, 38, 39, 42
Switzerland	ALTISOURCE*	54711/2009	09, 35, 36, 38, 39, 42
Switzerland	ALTISOURCE PORTFOLIO SOLUTIONS*	54708/2009	09, 35, 36, 38, 39, 42
Turkey	ALTISOURCE*	Awaiting	09, 35, 36, 38, 39, 42
Turkey	ALTISOURCE PORTFOLIO SOLUTIONS*	Awaiting	09, 35, 36, 38, 39, 42
United States of America	ALTISOURCE*	77/726139	09, 35, 36, 38, 39, 42
United States of America	ALTISOURCE PORTFOLIO SOLUTIONS*	77/726143	09, 35, 36, 38, 39, 42
Uruguay	ALTISOURCE*	401631	09, 35, 36, 38, 39, 42

\* Denotes intellectual property that is owned by Altisource Portfolio Solutions S.A. (formerly known as Altisource Portfolio Solutions S.à r.l., formerly known as Ocwen Luxembourg S.à r.l.) prior to the Separation.

Domain Names

<b>Domain Names</b>
alti-ltd.com
altiportfoliosolutions.com
alti-ps.com
altisource.ch
altisourcelimited.com
altisource-ltd.com
altisourceportfoliosolution.com
altisource-ps.com
altisource-pslimited.com
altisourceus.com
ora-rmsi.com
pmos-llc.com
premiumtitleservices.com
realportal.com
realremit.com
realsamm.biz
realsamm.com
realservicing.biz
realservicing.net
realtrans.biz
realtrans.com
realtrans.info
realtrans.net
synergysoftware.com
Altisourcebid.com
Altisourcebid.net
Altisourcebid.org
Altisourcebid.us
Altisourcebid.biz
Altisourcebid.com
Altisourcebid.net
Altisourcebid.org
Altisourcebid.us
Altisourcebid.biz
Altisourcehomes.com
Altisourcehomes.net
Altisourcehomes.us
Altisourcehomes.org
Altisourcehomes.biz
Altisource-homes.com
Altisource-homes.net
Altisource-homes.us
Altisource-homes.org
Altisource-homes.biz

AltisourceHome.com
Altisourcehome.net
Altisourcehome.us
Altisourcehome.org
Altisourcehome.biz
altisource.eu
altisourceportfoliosolutions.eu
altisource.lu
altisourceportfoliosolutions.lu
altisourceportfoliosolutions.ch
altisource.in
altisourceportfoliosolutions.in
altisource.ca
altisourceportfoliosolutions.ca
altisource.com.mx
altisourceportfoliosolutions.com.mx
altisource.cn
altisourceportfoliosolutions.cn
altisource.tw
altisourceportfoliosolutions.tw
altisource.hk
altisourceportfoliosolutions.hk
altisource.co.nz
altisourceportfoliosolutions.co.nz
altisource.ru
altisourceportfoliosolutions.ru
altisource.net
altisourceportfoliosolutions.net
altisource.org
altisourceportfoliosolutions.org
altisourceportfoliosolution.com
globalservicingsolutions.com

Part D to Schedule II of Intellectual Property Agreement:

Copyrights

Registered Copyrights		
Title of Work	Registration No.	Registration Date
IMAP software	TXu000999586	May 22, 2001

**Unregistered Copyrights**

Title of Material	Location
<b>BROCHURES/GUIDES/PAPERS</b>	
Outsourcing for Maximum Returns:	
Four rules for moving beyond cost cutting to strategic market advantage	<a href="http://www.ocwenbusiness.com/BPO/bs_bpo.cfm#">http://www.ocwenbusiness.com/BPO/bs_bpo.cfm#</a>
Hybrid Outsourcing Solutions: A case study on what one top loan originator did to slash underwriting costs	<a href="http://www.ocwenbusiness.com/BPO/bs_bpo.cfm#">http://www.ocwenbusiness.com/BPO/bs_bpo.cfm#</a>
Mortgage Industry Outsourcing Survey: What the Mortgage Industry Players Really Think	<a href="http://www.ocwenbusiness.com/BPO/bs_bpo.cfm#">http://www.ocwenbusiness.com/BPO/bs_bpo.cfm#</a>
Commercial Outsourcing White Paper	<a href="http://www.ocwenbusiness.com/BPO/bs_resources.cfm">http://www.ocwenbusiness.com/BPO/bs_resources.cfm</a>
Monthly newsletters	<a href="http://www.ocwenbusiness.com/">http://www.ocwenbusiness.com/</a>
Your Guide to Understanding Mortgage	<a href="http://www.ocwencustomers.com/documents/pdf/Servicing_Brochure.pdf">http://www.ocwencustomers.com/documents/pdf/Servicing_Brochure.pdf</a>
Money Management 101	<a href="http://www.ocwencustomers.com/documents/pdf/UandM_Credit.pdf">http://www.ocwencustomers.com/documents/pdf/UandM_Credit.pdf</a>
Making Timely Mortgage Payments	<a href="http://www.ocwencustomers.com/documents/pdf/Timely_Payments.pdf">http://www.ocwencustomers.com/documents/pdf/Timely_Payments.pdf</a>
Understanding Your Credit Score	<a href="http://www.ocwencustomers.com/em_credit_score.cfm">http://www.ocwencustomers.com/em_credit_score.cfm</a>
Ocwen's 15 Point Loan Servicing Customer Commitment Plan	<a href="http://www.ocwencustomers.com/cp_cc.cfm">http://www.ocwencustomers.com/cp_cc.cfm</a>
Global Servicing Solutions Canada Corp. Secures First Master Servicing Contract	<a href="http://www.globalservicingsolutions.com/Press/OCN-08-02f.pdf">http://www.globalservicingsolutions.com/Press/OCN-08-02f.pdf</a>
Global Servicing Solutions LLC Establishes Loan and Real Estate Servicing Office in Canada	<a href="http://www.globalservicingsolutions.com/Press/ocn1118f.pdf">http://www.globalservicingsolutions.com/Press/ocn1118f.pdf</a>
Global Servicing Solutions Canada Corp. Receives S&P Commercial Mortgage Servicer Rating	<a href="http://www.globalservicingsolutions.com/Press/ocn0223f.pdf">http://www.globalservicingsolutions.com/Press/ocn0223f.pdf</a>
US — Structured Finance Servicer Evaluation — Commercial Mortgage Servicer : Ocwen	<a href="http://www.globalservicingsolutions.com/Press/OcwenV3.pdf">http://www.globalservicingsolutions.com/Press/OcwenV3.pdf</a>
Ocwen Live Wire Newsletters (June 2007 — October 2007)	<a href="http://www.ocwenbusiness.com/documents/doc/June2007_Livewire.doc">http://www.ocwenbusiness.com/documents/doc/June2007_Livewire.doc</a> ; <a href="http://www.ocwenbusiness.com/documents/doc/July2007_Livewire.doc">http://www.ocwenbusiness.com/documents/doc/July2007_Livewire.doc</a> ; <a href="http://www.ocwenbusiness.com/documents/doc/August2007_Livewire.doc">http://www.ocwenbusiness.com/documents/doc/August2007_Livewire.doc</a> ; <a href="http://www.ocwenbusiness.com/documents/doc/September2007_Livewire.doc">http://www.ocwenbusiness.com/documents/doc/September2007_Livewire.doc</a> ; <a href="http://www.ocwenbusiness.com/documents/doc/October2007_Livewire.doc">http://www.ocwenbusiness.com/documents/doc/October2007_Livewire.doc</a>
<b>SOFTWARE</b>	
REALTrans	Ocwen-India
REALSAMM	Ocwen-India
REALSynergy	Ocwen-India
REALPortal	Ocwen-India
REALRemit	Ocwen-India
REALServicing	Ocwen-India
REALResolution	Ocwen-India
REALDoc	Ocwen-India
CIS (Customizable Imaging System)	Ocwen-India
<b>WEBSITES</b>	
globalservicingsolutions.com	
ora-rmsi.com	
realportal.com	
realtrans.com	

Part E to Schedule I of Intellectual Property Agreement:

Trade Secrets

Trade Secrets
REALTrans
ORA Web Portal
REALB2B
REALRemit
REALSAMM
REALSynergy
REALPortal
REALServicing
REALResolution (including Loss Mitigation, Foreclosure, Bankruptcy, Eviction, Title Resolution, Mortgage Insurance, Accretion, Mortgage Insurance Reporting, LRM, HMP, REO)
REALDoc
CIS (Customizable Imaging System)
Collection Scripting System
ACCESS Collection System
Integrated Telephony Solution (includes IVR integration)
Customer Relationship Expert (CRE)
Property Manager
Appraisal Manager (part of REALTrans extension)
REALBid (Bid, Auction and Listing site)
Stage V Reporting database and data transformations
Integrations to Ocwen.com website from REAL applications
Matrix
Collateral Management System
PMO (Project Management Office)
SharePoint Repository
Integration of REAL applications with external applications
Full U.S. application based on 61/064,605 (00153) titled Expense Tracking, Electronic Ordering and Payment System and Method; inventors R. Bulman and S. Blum (due date for filing March 14, 2009)
Method and System for Collections Optimization (unfiled patent);
Pre-payment and Default Model (unfiled patent);
Housing Price Index Model
AVRM Model
Behavioral sciences-based call scripting
Strategic tracking and reporting dashboard
Collector effectiveness model for training and personnel selection
Account scoring model for unsecured collections
Segmentation model for unsecured collections
Optimal resolution model for unsecured collections



**SCHEDULE II**  
**LICENSED INTELLECTUAL PROPERTY**

**Part A to Schedule II of Intellectual Property Agreement:**

**Patents**

<b>Patents</b>			
<b>Issued</b>			
<b>U.S. PTO Patent No.</b>	<b>Issue Date</b>	<b>Title</b>	<b>Inventors</b>
7,412,418	8/12/2008	Expense Tracking, Electronic Ordering, Invoice Presentment, and Payment System and Method	William C. Erbey, Russell Bulman, Robert J. Leist, Mary Edgecomb, Donald Vetel, Armand Bonola, Stephanie Hudson, Jeffrey Neufeld, Debra Toussaint-Blackman, Rosemary Weaver, Sandra Blum, Federico Bucspun

<b>Pending</b>			
<b>Ser. No.</b>	<b>Filing Date</b>	<b>Title</b>	<b>Inventors</b>
U.S. 10/918,699	8/16/2004	Method and System for Providing Customer Relations Information	William C. Erbey, Scott Paul Conradson
U.S. 10/937,879	9/10/2004	Method and System for Vendor Management	Ralph J. Behmoiras William C. Erbey Arthur J. Castner Christopher Kennedy Keith S. Reno
U.S. 09/512,845	2/25/2000	Method for Workflow Processing Through Computer Network	Ravi Ramanathan Edmund M. Johnson Michael A. Graves
U.S. 10/408,079	4/4/2003	Method and Apparatus for Providing Selective Access to Information	Scott William Anderson

Ser. No.	Filing Date	Pending Title	Inventors
U.S. 10/102,104	3/19/2002	Management and Reporting System and Process for Use with Multiple Disparate Database	Christopher M. Ruby Chase N. Tessman Michael R. Langolf
U.S. 10/957,689	10/5/2004	Management and Reporting System and Process for Use with Multiple Disparate Database	Christopher M. Ruby Chase N. Tessman Michael R. Langolf
U.S. 11/141,209	6/1/2005	Call Center Services System and method	Dale Pickford
U.S. 11/301,247	12/13/2005	Product Optimizer	Christopher Kennedy William Erbey Bryan Hurley
U.S. 11/727,225	4/4/2003	Method and Apparatus for Providing Selective Access to Information	Scott William Anderson
U.S. 11/803,306	5/22/2006	Method and system for Loan Closing	William Erbey Christopher Kennedy Bryan Hurley

Ser. No.	Filing Date	Pending Title	Inventors
U.S. 11/802,308	5/22/2007	Method And System For Exchange	William Erbey Christopher Kennedy Bryan Hurley Andrew Combs
U.S. 12/111,714	04/29/2008 (parent filing 12/08/2003)	Expense Tracking, Electronic Ordering, Invoice Presentment, and Payment System and Method	William C. Erbey Russell Bulman Robert J. Leist Mary Edgecomb Donald Vetal Armand Bonola Stephanie Hudson Jeffrey Neufeld Debra Toussaint-Blackman Rosemary Weaver Sandra Blum Federico Bucspun
U.S. 12/335,196	12/15/2008	Vendor Assurance	Christopher Kennedy Bryan Hurley
U.S. utility	Unfiled	Method and System for Collections Optimization	William C. Erbey Ron Faris Ashish Pandey Amanjeet Saluja Deepak Dhayanithy Saurav Chawla Seth Carter
U.S. 12/334,168	12/12/2008	Ocwen Exchange	Christopher Kennedy

Ser. No.	Filing Date	Pending Title	Inventors
U.S. 12/404,958	3/16/2009	EXPENSE TRACKING, ELECTRONIC ORDERING, INVOICE PRESENTMENT, AND PAYMENT SYSTEM AND METHOD	Russell Bulman; Sandra Blum
U.S. 60/163,228	3/25/2009	APPARATUS AND METHOD FOR MODELING LOAN ATTRIBUTES	SALUJA, Amanjeet; GUPTA, Ankush; DHAYANITHY, Deepak; GUGLANI, Raman;
IN 2743 MUM 2008	12/31/2008	Method and System for Collections Optimization	William C. Erbey Ron Faris Ashish Pandey Amanjeet Saluja Deepak Dhayanithy Saurav Chawla Seth Carter
IN 979 MUM 2009	4/15/2009	APPARATUS AND METHOD FOR MODELING LOAN ATTRIBUTES	SALUJA, Amanjeet; GUPTA, Ankush; DHAYANITHY, Deepak; GUGLANI, Raman;

Part B to Schedule II of Intellectual Property Agreement:

Trademarks

Registered Trademarks			
Country	Trademark	Reg. No.	Class
European Community	REALSynergy & Design (Black & White)	6380951	09, 36, 38
European Community	REALSynergy Logo (Black & White)	6380943	09, 36, 38
European Community	REALTRANS	1174531	38
European Community	REALTRANS & Arrow Design	1174515	38
European Community	REALTRANS.COM	1174440	38
European Community	WWW.REALTRANS.COM	1174473	38
Japan	REALSAMB	4690653	09
Switzerland	REALPORTAL	578928	09, 42
Switzerland	REALSAMB	578931	09
Switzerland	REALSERVICING	578930	09, 42
Switzerland	REALSynergy & Design (Black & White)	569462	09
Switzerland	REALSynergy Logo (Black & White)	569461	09
Switzerland	REALTRANS	578929	38
Taiwan	REALSAMB	092007306	09
United States of America	REALPORTAL	3333964	09, 42
United States of America	REALREMIT	3083245	09
United States of America	REALREMIT	3283741	38
United States of America	REALREMIT	3493927	35, 36
United States of America	REALSAMB	2863435	09
United States of America	REALSERVICING	2813709	09, 42
United States of America	REALSYNERGY	2729544	09
United States of America	REALSynergy & Design (Black & White)	3481637	09
United States of America	REALSynergy Logo (Black & White)	3334360	09
United States of America	REALTRANS	2470168	38
United States of America	WE MAKE YOUR LOANS WORTH MORE	3410572	35, 36

Country	Pending Mark	App. No.	Class
European Community	THINKING AHEAD. DELIVERING TODAY.	8210155	09 , 35 , 36 , 38 , 42
European Community	REALDOC	8216673	09 , 39 , 42
India	THINKING AHEAD. DELIVERING TODAY.	1804060	09 , 35 , 36 , 38 , 42
India	REALDOC	1807108	09 , 39 , 42
India	REALPORTAL	1701114	09 , 42
India	REALREMIT	1701116	09 , 35 , 36 , 38
India	REALSAMM	1701113	09
India	REALSERVICING	1701115	09 , 42
India	REALSYNERGY	1701111	09
India	REALSynergy & Design (Black & White)	1613797	09
India	REALSynergy Logo (Black & White)	1613796	09
India	REALTRANS	1701112	38
			09 , 35 , 36 , 38 ,
Norway	THINKING AHEAD. DELIVERING TODAY.		42
			09 , 35 , 36 , 38 ,
Switzerland	THINKING AHEAD. DELIVERING TODAY.		42
Switzerland	REALDOC	506092009	09 , 39 , 42
Switzerland	REALREMIT	583202008	09 , 35 , 36 , 38
Switzerland	REALSYNERGY	583182008	09
Turkey	THINKING AHEAD. DELIVERING TODAY.		09 , 35 , 36 , 38 , 42
United States of America	HELPING HOMEOWNERS IS WHAT WE DO!	77/103348	35 , 36
United States of America	REALDOC	77/596166	09 , 39 , 42
United States of America	THE LEADER IN LOSS MITIGATION!	77/125656	35 , 36
United States of America	THINKING AHEAD. DELIVERING TODAY.	77/593386	09 , 35 , 36 , 38 , 42
Uruguay	THINKING AHEAD. DELIVERING TODAY.	401.096	09 , 35 , 36 , 38 , 42

Unregistered Trademarks	Location
RECOVER MORE!	<a href="http://www.ocwenbusiness.com/nci.cfm#">http://www.ocwenbusiness.com/nci.cfm#</a> , <a href="http://www.ocwenbusiness.com/">http://www.ocwenbusiness.com/</a>
CLOSE MORE LOANS!	<a href="http://www.ocwenbusiness.com/bs_loanprocessing.cfm">http://www.ocwenbusiness.com/bs_loanprocessing.cfm</a> , <a href="http://www.ocwenbusiness.com/">http://www.ocwenbusiness.com/</a>
GSS LOGO	<a href="http://www.globalservicingsolutions.com/">http://www.globalservicingsolutions.com/</a>
GLOBAL SERVICING SOLUTIONS	<a href="http://www.globalservicingsolutions.com/">http://www.globalservicingsolutions.com/</a>
GLOBAL EXPERIENCE ... LOCAL EXPERTISE	<a href="http://www.globalservicingsolutions.com/">http://www.globalservicingsolutions.com/</a>
REALSynergyPLUS	<a href="http://www.globalservicingsolutions.com/technology.html">http://www.globalservicingsolutions.com/technology.html</a>
REALResolution	<a href="http://www.ocwenbusiness.com/documents/pdf/Moody_s.pdf">http://www.ocwenbusiness.com/documents/pdf/Moody_s.pdf</a>

Part C to Schedule II of Intellectual Property Agreement:

Domain Names

<b>Domain Names</b>
ora-rmsi.com
pmos-llc.com
premiumtitleservices.com
realportal.com
realremit.com
realsamm.biz
realsamm.com
realservicing.biz
realservicing.net
realtrans.biz
realtrans.com
realtrans.info
realtrans.net
synergysoftware.com



Part D to Schedule II of Intellectual Property Agreement:

Copyrights

Registered Copyrights		
Title of Work	Registration No.	Registration Date
IMAP software	TXu000999586	May 22, 2001

<b>Unregistered Copyrights</b>	
<b>Title of Material</b>	<b>Location</b>
<b>BROCHURES/GUIDES/PAPERS</b>	
Outsourcing for Maximum Returns: Four rules for moving beyond cost cutting to strategic market advantage	<a href="http://www.ocwenbusiness.com/BPO/bs_bpo.cfm#">http://www.ocwenbusiness.com/BPO/bs_bpo.cfm#</a>
Hybrid Outsourcing Solutions: A case study on what one top loan originator did to slash underwriting costs	<a href="http://www.ocwenbusiness.com/BPO/bs_bpo.cfm#">http://www.ocwenbusiness.com/BPO/bs_bpo.cfm#</a>
Mortgage Industry Outsourcing Survey: What the Mortgage Industry Players Really Think	<a href="http://www.ocwenbusiness.com/BPO/bs_bpo.cfm#">http://www.ocwenbusiness.com/BPO/bs_bpo.cfm#</a>
Commercial Outsourcing White Paper	<a href="http://www.ocwenbusiness.com/BPO/bs_resources.cfm">http://www.ocwenbusiness.com/BPO/bs_resources.cfm</a>
Monthly newsletters	<a href="http://www.ocwenbusiness.com/">http://www.ocwenbusiness.com/</a>
Your Guide to Understanding Mortgage	<a href="http://www.ocwencustomers.com/documents/pdf/Servicing_Brochure.pdf">http://www.ocwencustomers.com/documents/pdf/Servicing_Brochure.pdf</a>
Money Management 101	<a href="http://www.ocwencustomers.com/documents/pdf/UandM_Credit.pdf">http://www.ocwencustomers.com/documents/pdf/UandM_Credit.pdf</a>
Making Timely Mortgage Payments	<a href="http://www.ocwencustomers.com/documents/pdf/Timely_Payments.pdf">http://www.ocwencustomers.com/documents/pdf/Timely_Payments.pdf</a>
Understanding Your Credit Score	<a href="http://www.ocwencustomers.com/em_credit_score.cfm">http://www.ocwencustomers.com/em_credit_score.cfm</a>
Ocwen's 15 Point Loan Servicing Customer Commitment Plan	<a href="http://www.ocwencustomers.com/cp_cc.cfm">http://www.ocwencustomers.com/cp_cc.cfm</a>
Global Servicing Solutions Canada Corp. Secures First Master Servicing Contract	<a href="http://www.globalservicingsolutions.com/Press/OCN-08-02f.pdf">http://www.globalservicingsolutions.com/Press/OCN-08-02f.pdf</a>
Global Servicing Solutions LLC Establishes Loan and Real Estate Servicing Office in Canada	<a href="http://www.globalservicingsolutions.com/Press/ocn1118f.pdf">http://www.globalservicingsolutions.com/Press/ocn1118f.pdf</a>
Global Servicing Solutions Canada Corp. Receives S&P Commercial Mortgage Servicer Rating	<a href="http://www.globalservicingsolutions.com/Press/ocn0223f.pdf">http://www.globalservicingsolutions.com/Press/ocn0223f.pdf</a>
US — Structured Finance Servicer Evaluation — Commercial Mortgage Servicer : Ocwen	<a href="http://www.globalservicingsolutions.com/Press/OcwenV3.pdf">http://www.globalservicingsolutions.com/Press/OcwenV3.pdf</a>
Ocwen Live Wire Newsletters (June 2007 — October 2007)	<a href="http://www.ocwenbusiness.com/documents/doc/June_2007_Livewire.doc">http://www.ocwenbusiness.com/documents/doc/June_2007_Livewire.doc</a> ; <a href="http://www.ocwenbusiness.com/documents/doc/July_2007_Livewire.doc">http://www.ocwenbusiness.com/documents/doc/July_2007_Livewire.doc</a> ; <a href="http://www.ocwenbusiness.com/documents/doc/August_2007_Livewire.doc">http://www.ocwenbusiness.com/documents/doc/August_2007_Livewire.doc</a> ; <a href="http://www.ocwenbusiness.com/documents/doc/September_2007_Livewire.doc">http://www.ocwenbusiness.com/documents/doc/September_2007_Livewire.doc</a> ; <a href="http://www.ocwenbusiness.com/documents/doc/October_2007_Livewire.doc">http://www.ocwenbusiness.com/documents/doc/October_2007_Livewire.doc</a>
<b>SOFTWARE</b>	
REALTrans	Ocwen-India
REALSAMB	Ocwen-India
REALSynergy	Ocwen-India
REALPortal	Ocwen-India
REALRemit	Ocwen-India
REALServicing	Ocwen-India
REALResolution	Ocwen-India
REALDoc	Ocwen-India
CIS (Customizable Imaging System)	Ocwen-India
<b>WEBSITES</b>	
<a href="http://globalservicingsolutions.com">globalservicingsolutions.com</a>	
<a href="http://ora-rmsi.com">ora-rmsi.com</a>	
<a href="http://realportal.com">realportal.com</a>	
<a href="http://realtrans.com">realtrans.com</a>	

**Part E to Schedule II of Intellectual Property Agreement:**

**Trade Secrets**

Trade Secrets
REALTrans
ORA Web Portal
REALB2B
REALRemit
REALSMM
REALSynergy
REALPortal
REALServicing
REALResolution (including Loss Mitigation, Foreclosure, Bankruptcy, Eviction, Title Resolution, Mortgage Insurance, Accretion, Mortgage Insurance Reporting, LRM, HMP, REO)
REALDoc
CIS (Customizable Imaging System)
Collection Scripting System
ACCESS Collection System
Integrated Telephony Solution (includes IVR integration)
Customer Relationship Expert (CRE)
Property Manager
Appraisal Manager (part of REALTrans extension)
REALBid (Bid, Auction and Listing site)
Stage V Reporting database and data transformations
Integrations to Ocwen.com website from REAL applications
Matrix
Collateral Management System
PMO (Project Management Office)
SharePoint Repository
Integration of REAL applications with external applications
Full U.S. application based on 61/064,605 (00153) titled Expense Tracking, Electronic Ordering and Payment System and Method; inventors R. Bulman and S. Blum (due date for filing March 14, 2009)
Method and System for Collections Optimization (unfiled patent);
Pre-payment and Default Model (unfiled patent);
Housing Price Index Model
AVRM Model
Behavioral sciences-based call scripting
Strategic tracking and reporting dashboard
Collector effectiveness model for training and personnel selection
Account scoring model for unsecured collections
Segmentation model for unsecured collections
Optimal resolution model for unsecured collections

**EXHIBIT A**

**INTELLECTUAL PROPERTY ASSIGNMENT**

WHEREAS, OCWEN FINANCIAL CORPORATION, a Florida corporation, ("ASSIGNOR"), having a place of business at: **1661 Worthington Road, Suite 100, West Palm Beach, FL 33409, USA**, is either the direct or indirect owner of all right, title, and interest in and to certain intellectual property, consisting of all domestic and foreign patents, copyrights, trade names, domain names, trademarks, service marks, registrations and applications for any of the foregoing, databases, mask works, inventions, processes, know-how, procedures, computer applications, programs and other software, including operating software, network software, firmware, middleware, design software, design tools, systems documentation, manuals, and instructions, and other proprietary information, technical and other data, trade secrets, confidential or proprietary information, lists, documents, and other proprietary rights, including without limitation those contained on the attached schedule and those set forth in Exhibits A-D (collectively, the "Intellectual Property,"") used in connection with ASSIGNOR's business as it relates to business process and knowledge process outsourcing; and

WHEREAS, **ALTISOURCE Solutions S.à r.l.**, a société à responsabilité limitée organized under the laws of Luxembourg ("ASSIGNEE"), seeks to acquire all right, title, and interest in and to the Intellectual Property, including the goodwill represented thereby, and all applications and registrations for the Intellectual Property;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor does hereby assign to Assignee all right, title, and interest in and to the Intellectual Property, including all applications and registrations for the Intellectual Property, together with the goodwill of the business symbolized by the Intellectual Property, and the right to sue for and collect all awards, proceeds, and compensation accruing for past infringements of the Intellectual Property. In furtherance hereof, Assignor and Assignee hereby agree to execute all necessary documents to accomplish this Assignment, including executing documents that are substantially in the forms attached hereto as follows:

- Exhibit I — Assignment of Patents
- Exhibit II — Assignment of Trademarks
- Exhibit III — Assignment of Copyrights
- Exhibit IV — Assignment of Domain Names

ASSIGNOR

By: \_\_\_\_\_  
Name:  
Title:  
Date:

ASSIGNEE

By: \_\_\_\_\_  
Name:  
Title:  
Date:

EXHIBIT I  
TO  
INTELLECTUAL PROPERTY ASSIGNMENT

**Company To Company Assignment**  
(WORLDWIDE PATENT RIGHTS)

WHEREAS, **Ocwen Financial Corporation** (hereinafter referred to as "ASSIGNOR"), having a place of business at: **1661 Worthington Road, Suite 100, West Palm Beach, FL 33409, USA**, is the owner of the entire right, title and interest in and to U.S. and foreign Patent Applications and/or U.S. and foreign Patents attached hereto as Schedule A (the "Patent Rights") and the inventions claimed therein (the "Inventions"); and

WHEREAS, **Altisource Solutions S.à r.l.** (hereinafter referred to as "ASSIGNEE"), having a place of business at: **2-8 Avenue Charles De Gaulle, L-1653 Luxembourg**, is desirous of acquiring the full and exclusive right in and to said Inventions and all documents and things relating to the conception, reduction to practice and/or practice of the Inventions (the "Related Documents") and the entire right, title and interest in and to said Patent Rights, including any Letters Patent which may be granted therefor, in the United States and its territorial possessions and in any and all foreign countries, including any and all divisions, continuations, substitutions, renewals, re-examination, extension and reissues thereof, and any other applications claiming priority thereto;

NOW, THEREFORE, in consideration of the sum of FIVE DOLLARS (\$5.00), the receipt whereof is hereby acknowledged, and for other good and valuable consideration, ASSIGNOR, by these presents, does sell, assign and transfer unto said ASSIGNEE the full and exclusive right in and to said Inventions, Patent Rights, and Related Documents in the United States and its territorial possessions and in all foreign countries and the entire right, title and interest, including the right to sue for past infringement, if any, and all rights pursuant to 35 U.S.C. §154, in and to any and all Letters Patent which may be granted therefor in the United States and its territorial possession and in any and all foreign countries and in and to any and all divisions, continuations, substitutions, renewals, re-examination, extension and reissues thereof, and any other applications claiming priority thereto;

ASSIGNOR hereby authorizes and requests the Patent Office Officials in the United States and its territorial possessions and in any and all foreign countries to issue any and all of said Letters Patent, when granted, to said ASSIGNEE as the assignee of the entire right, title and interest in and to the same, for the sole use and behoof of said ASSIGNEE and said

ASSIGNEE's successors and assigns, to the full end of the term for which said Letters Patent may be granted, as fully and entirely as the same would have been held by ASSIGNOR had this assignment and sale not been made.

**ASSIGNOR:**

Date: \_\_\_\_\_

**ASSIGNEE:**

Date: \_\_\_\_\_

**OCWEN FINANCIAL CORPORATION**

\_\_\_\_\_  
By:  
Title:

**ALTISOURCE SOLUTIONS S.à R.L.**

\_\_\_\_\_  
By:  
Title:

SCHEDULE A  
TO  
**Company To Company Assignment**  
(WORLDWIDE PATENT RIGHTS)

<b>Patents</b>			
U.S. PTO Patent No.	Issue Date	Title	Inventors
7,412,418	8/12/2008	Expense Tracking, Electronic Ordering, Invoice Presentment, and Payment System and Method	William C. Erbey, Russell Bulman, Robert J. Leist, Mary Edgecomb, Donald Vetel, Armand Bonola, Stephanie Hudson, Jeffrey Neufeld, Debra Toussaint-Blackman, Rosemary Weaver, Sandra Blum, Federico Bucspun

<b>Pending</b>			
Ser. No.	Filing Date	Title	Inventors
U.S. 10/918,699	8/16/2004	Method and System for Providing Customer Relations Information	William C. Erbey, Scott Paul Conradson
U.S. 10/937,879	9/10/2004	Method and System for Vendor Management	Ralph J. Behmoiras William C. Erbey Arthur J. Castner Christopher Kennedy Keith S. Reno
U.S. 09/512,845	2/25/2000	Method for Workflow Processing Through Computer Network	Ravi Ramanathan Edmund M. Johnson Michael A. Graves
U.S. 10/408,079	4/4/2003	Method and Apparatus for Providing Selective Access to Information	Scott William Anderson

Ser. No.	Filing Date	Pending Title	Inventors
U.S. 10/102,104	3/19/2002	Management and Reporting System and Process for Use with Multiple Disparate Database	Christopher M. Ruby Chase N. Tessman Michael R. Langolf
U.S. 10/957,689	10/5/2004	Management and Reporting System and Process for Use with Multiple Disparate Database	Christopher M. Ruby Chase N. Tessman Michael R. Langolf
U.S. 11/141,209	6/1/2005	Call Center Services System and method	Dale Pickford
U.S. 11/301,247	12/13/2005	Product Optimizer	Christopher Kennedy William Erbey Bryan Hurley
U.S. 11/727,225	4/4/2003	Method and Apparatus for Providing Selective Access to Information	Scott William Anderson
U.S. 11/803,306	5/22/2006	Method and system for Loan Closing	William Erbey Christopher Kennedy Bryan Hurley



Pending			
Ser. No.	Filing Date	Title	Inventors
U.S. 11/802,308	5/22/2007	Method And System For Exchange	William Erbey Christopher Kennedy Bryan Hurley Andrew Combs
		Expense Tracking, Electronic Ordering, Invoice	William C. Erbey Russell Bulman Robert J. Leist Mary Edgecomb Donald Vetal Armand Bonola Stephanie Hudson Jeffrey Neufeld Debra Toussaint-Blackman Rosemary Weaver
U.S. 12/111,714	04/29/2008 (parent filing 12/08/2003)	Presentment, and Payment System and Method	Sandra Blum Federico Bucspun
U.S. 12/335,196	12/15/2008	Vendor Assurance	Christopher Kennedy Bryan Hurley
U.S. utility	Unfiled	Method and System for Collections Optimization	William C. Erbey Ron Faris Ashish Pandey Amanjeet Saluja Deepak Dhayanithy Saurav Chawla Seth Carter
U.S. 12/334,168	12/12/2008	Ocwen Exchange	Christopher Kennedy

Ser. No.	Filing Date	Pending Title	Inventors
U.S. 12/404,958	3/16/2009	EXPENSE TRACKING, ELECTRONIC ORDERING, INVOICE PRESENTMENT, AND PAYMENT SYSTEM AND METHOD	Russell Bulman; Sandra Blum
U.S. 60/163,228	3/25/2009	APPARATUS AND METHOD FOR MODELING LOAN ATTRIBUTES	SALUJA, Amanjeet; GUPTA, Ankush; DHAYANITHY, Deepak; GUGLANI, Raman;
IN 2743 MUM 2008	12/31/2008	Method and System for Collections Optimization	William C. Erbey Ron Faris Ashish Pandey Amanjeet Saluja Deepak Dhayanithy Saurav Chawla Seth Carter
IN 979 MUM 2009	4/15/2009	APPARATUS AND METHOD FOR MODELING LOAN ATTRIBUTES	SALUJA, Amanjeet; GUPTA, Ankush; DHAYANITHY, Deepak; GUGLANI, Raman;

**EXHIBIT II  
TO  
INTELLECTUAL PROPERTY ASSIGNMENT**

**TRADEMARK ASSIGNMENT**

WHEREAS, **Ocwen Financial Corporation**, a Florida corporation, having a place of business at **1661 Worthington Road, West Palm Beach, Florida 33409** (hereinafter "**ASSIGNOR**"), is the owner of all right, title, and interest in, under and to the trademarks listed in Schedule A attached hereto (hereinafter the "Trademarks"); and

WHEREAS **Altisource Solutions S.à r.l.**, a société à responsabilité limitée organized and existing under the laws of Luxembourg, having a place of business at **2-8 Avenue Charles De Gaulle, L-1653 Luxembourg** (hereinafter "**ASSIGNEE**"), is desirous of acquiring said Trademarks and the registrations and applications therefor, along with the goodwill of the business pertaining thereto.

NOW, THEREFORE, for the sum of FIVE DOLLARS (\$5.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, said ASSIGNOR does hereby assign unto the said ASSIGNEE all right, title and interest in, under and to the said Trademarks, together with the goodwill of the business symbolized by the trademarks, the right to bring suit and recover damages for past infringement, and the registrations and applications therefor. ASSIGNOR hereby agrees to execute any additional documents to accomplish this Assignment.

**ASSIGNOR:**

**OCWEN FINANCIAL CORPORATION**

Date: \_\_\_\_\_

\_\_\_\_\_  
By:  
Title:

**ASSIGNEE:**

**ALTISOURCE SOLUTIONS S.à R.L.**

Date: \_\_\_\_\_

\_\_\_\_\_  
By:  
Title:

SCHEDULE A  
TO  
TRADEMARK ASSIGNMENT

<b>Trademarks</b>			
<b>Registered</b>			
Country	Trademark	Reg. No.	Class
European Community	REALSynergy & Design (Black & White)	6380951	09, 36, 38
European Community	REALSynergy Logo (Black & White)	6380943	09, 36, 38
European Community	REALTRANS	1174531	38
European Community	REALTRANS & Arrow Design	1174515	38
European Community	REALTRANS.COM	1174440	38
European Community	WWW.REALTRANS.COM	1174473	38
Japan	REALSAMB	4690653	09
Switzerland	REALPORTAL	578928	09, 42
Switzerland	REALSAMB	578931	09
Switzerland	REALSERVICING	578930	09, 42
Switzerland	REALSynergy & Design (Black & White)	569462	09
Switzerland	REALSynergy Logo (Black & White)	569461	09
Switzerland	REALTRANS	578929	38
Taiwan	REALSAMB	092007306	09
United States of America	REALPORTAL	3333964	09, 42
United States of America	REALREMIT	3083245	09
United States of America	REALREMIT	3283741	38
United States of America	REALREMIT	3493927	35, 36
United States of America	REALSAMB	2863435	09
United States of America	REALSERVICING	2813709	09, 42
United States of America	REALSYNERGY	2729544	09
United States of America	REALSynergy & Design (Black & White)	3481637	09
United States of America	REALSynergy Logo (Black & White)	3334360	09
United States of America	REALTRANS	2470168	38
United States of America	WE MAKE YOUR LOANS WORTH MORE	3410572	35, 36

Country	Pending Mark	App. No.	Class
European Community	THINKING AHEAD. DELIVERING TODAY.	8210155	09 , 35 , 36 , 38 , 42
European Community	REALDOC	8216673	09 , 39 , 42
			09 , 35 , 36 , 38 ,
India	THINKING AHEAD. DELIVERING TODAY.	1804060	42
India	REALDOC	1807108	09 , 39 , 42
India	REALPORTAL	1701114	09 , 42
India	REALREMIT	1701116	09 , 35 , 36 , 38
India	REALSAMM	1701113	09
India	REALSERVICING	1701115	09 , 42
India	REALSYNERGY	1701111	09
India	REALSynergy & Design (Black & White)	1613797	09
India	REALSynergy Logo (Black & White)	1613796	09
India	REALTRANS	1701112	38
Norway	THINKING AHEAD. DELIVERING TODAY.		09 , 35 , 36 , 38 , 42
Switzerland	THINKING AHEAD. DELIVERING TODAY.		09 , 35 , 36 , 38 , 42
Switzerland	REALDOC	506092009	09 , 39 , 42
Switzerland	REALREMIT	583202008	09 , 35 , 36 , 38
Switzerland	REALSYNERGY	583182008	09
Turkey	THINKING AHEAD. DELIVERING TODAY.		09 , 35 , 36 , 38 , 42
United States of America	HELPING HOMEOWNERS IS WHAT WE DO!	77/103348	35 , 36
United States of America	REALDOC	77/596166	09 , 39 , 42
United States of America	THE LEADER IN LOSS MITIGATION!	77/125656	35 , 36
United States of America	THINKING AHEAD. DELIVERING TODAY.	77/593386	09 , 35 , 36 , 38 , 42
Uruguay	THINKING AHEAD. DELIVERING TODAY.	401.096	09 , 35 , 36 , 38 , 42

**EXHIBIT III  
TO  
INTELLECTUAL PROPERTY ASSIGNMENT**

**ASSIGNMENT OF COPYRIGHT**

WHEREAS, **Ocwen Financial Corporation**, a Florida corporation, having a place of business at **1661 Worthington Road, West Palm Beach, Florida 33409** (hereinafter "**ASSIGNOR**") owns the copyright in and to the work(s) shown on the attached Schedule A (hereinafter "the Work(s)") and has agreed to transfer to **Altisource Solutions S.à r.l.**, a société à responsabilité limitée organized and existing under the laws of Luxembourg, having a place of business at **2-8 Avenue Charles De Gaulle, L-1653 Luxembourg** (hereinafter "**ASSIGNEE**") all right, title, and interest in and to the Work(s); and

NOW, THEREFORE, for FIVE DOLLARS (\$5.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, **ASSIGNOR** hereby assigns and transfers to **ASSIGNEE**, its successors and assigns, the entire right, title, and interest that **ASSIGNOR** owns or may be deemed to own in and to the copyright(s) in the Work(s) throughout the world, and the right to sue for and collect all awards, proceeds, and compensation accruing for past infringements of the copyright(s) in the Work(s). In furtherance hereof, **ASSIGNOR** hereby agrees to execute any additional documents to accomplish this transfer.

**ASSIGNOR:**  
Date: \_\_\_\_\_

**OCWEN FINANCIAL CORPORATION**  
\_\_\_\_\_  
By:  
Title:

**ASSIGNEE:**  
Date: \_\_\_\_\_

**ALTISOURCE SOLUTIONS S.à R.L.**  
\_\_\_\_\_  
By:  
Title:

SCHEDULE A  
TO  
ASSIGNMENT OF COPYRIGHT

<b>Registered Copyrights</b>		
Title of Work	Registration No.	Registration Date
IMAP software	TXu000999586	May 22, 2001

EXHIBIT IV

TO

INTELLECTUAL PROPERTY ASSIGNMENT

DOMAIN NAME ASSIGNMENT

WHEREAS, **Ocwen Financial Corporation**, a Florida corporation ("ASSIGNOR"), has registered and is the current owner of the domain names listed in Schedule A (the "Domain Names");

WHEREAS, ASSIGNOR desires to transfer to **Altisource Solutions S.à r.l.**, a société à responsabilité limitée of Luxembourg ("ASSIGNEE"), all right, title, and interest in and to said Domain Names; and

WHEREAS, ASSIGNEE is desirous of acquiring said Domain Names.

NOW, THEREFORE, for the sum of FIVE DOLLARS (\$5.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, ASSIGNOR hereby assigns, transfers, and conveys to ASSIGNEE, its successors, transferees, and assignees, all of ASSIGNOR's right, title, and interest in and to said Domain Names. ASSIGNOR hereby agrees to execute any additional documents to accomplish this Assignment.

ASSIGNOR:

OCWEN FINANCIAL CORPORATION

Date: \_\_\_\_\_

\_\_\_\_\_  
By:

Title:

ASSIGNEE:

ALTISOURCE SOLUTIONS S.à R.L.

Date: \_\_\_\_\_

\_\_\_\_\_  
By:

Title:



SCHEDULE A  
TO  
DOMAIN NAME ASSIGNMENT

**Domain Names**

alti-ltd.com  
altiportfoliosolutions.com  
alti-ps.com  
altisource.ch  
altisourcelimited.com  
altisource-ltd.com  
altisourceportfoliosolution.com  
altisource-ps.com  
altisource-pslimited.com  
altisourceus.com  
ora-rmsi.com  
pmos-llc.com  
premiumtitleservices.com  
realportal.com  
realremit.com  
realsamm.biz  
realsamm.com  
realservicing.biz  
realservicing.net  
realtrans.biz  
realtrans.com  
realtrans.info  
realtrans.net  
synergysoftware.com  
Altisourcebid.com  
Altisourcebid.net  
Altisourcebid.org  
Altisourcebid.us  
Altisourcebid.biz  
Altisourcebid.com  
Altisourcebid.net  
Altisourcebid.org  
Altisourcebid.us  
Altisourcebid.biz  
Altisourcehomes.com  
Altisourcehomes.net  
Altisourcehomes.us  
Altisourcehomes.org  
Altisourcehomes.biz  
Altisource-homes.com  
Altisource-homes.net  
Altisource-homes.us  
Altisource-homes.org  
Altisource-homes.biz  
AltisourceHome.com

Altisourcehome.net  
Altisourcehome.us  
Altisourcehome.org  
Altisourcehome.biz  
altisource.eu  
altisourceportfoliosolutions.eu  
altisource.lu  
altisourceportfoliosolutions.lu  
altisourceportfoliosolutions.ch  
altisource.in  
altisourceportfoliosolutions.in  
altisource.ca  
altisourceportfoliosolutions.ca  
altisource.com.mx  
altisourceportfoliosolutions.com.mx  
altisource.cn  
altisourceportfoliosolutions.cn  
altisource.tw  
altisourceportfoliosolutions.tw  
altisource.hk  
altisourceportfoliosolutions.hk  
altisource.co.nz  
altisourceportfoliosolutions.co.nz  
altisource.ru  
altisourceportfoliosolutions.ru  
altisource.net  
altisourceportfoliosolutions.net  
altisource.org  
altisourceportfoliosolutions.org  
altisourceportfoliosolution.com  
globalservicingsolutions.com

**SERVICES AGREEMENT**, dated as of \_\_\_\_\_, 2009, between OCWEN FINANCIAL CORPORATION, a Florida corporation (“OCWEN” or together with its Affiliates “OCWEN Group”), and ALTISOURCE SOLUTIONS S.à r.l., a private limited liability company organized under the laws of the Grand Duchy of Luxembourg and an indirect, wholly-owned subsidiary of OCWEN (“ALTISOURCE” or together with its Affiliates “ALTISOURCE Group”).

#### RECITALS

WHEREAS, OCWEN and Altisource Portfolio Solutions S.A. (formerly known as Altisource Portfolio Solutions S.à r.l., formerly known as Ocwen Luxembourg S.à r.l.), the sole parent of ALTISOURCE (“ALTISOURCE Parent”), are parties to a Separation Agreement dated as of [\_\_\_\_\_] 2009 (the “Separation Agreement”), pursuant to which OCWEN will (i) separate the ALTISOURCE Business (as defined in the Separation Agreement) and (ii) distribute (the “Separation”) to the holders of shares of OCWEN’s outstanding capital stock all of the outstanding capital stock of ALTISOURCE Parent;

WHEREAS, following the Separation, ALTISOURCE will operate the ALTISOURCE Business, and OCWEN will operate the OCWEN Business (as defined in the Separation Agreement); and

WHEREAS, following the Separation, OCWEN desires to receive, and ALTISOURCE is willing to provide, or cause to be provided, certain services in connection with the OCWEN Business, in each case subject to the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the mutual agreements, provisions and covenants contained in this Agreement, the parties agree as follows:

##### 1. Definitions.

(a) Capitalized terms used herein and not otherwise defined have the meanings given to such terms in the Separation Agreement.

(b) For the purposes of this Agreement, the following terms shall have the following meanings:

“Affiliate” means with respect to any Person (a “Principal”) (a) any directly or indirectly wholly-owned subsidiary of such Principal, (b) any Person that directly or indirectly owns 100% of the voting stock of such Principal or (c) a Person that controls, is controlled by or is under common control with such Principal. As used herein, “control” of any entity means the possession, directly or indirectly, through one or more intermediaries, of the power to direct or cause the direction of the management or policies of such entity, whether through ownership of voting securities or other interests, by contract or otherwise. Furthermore, with respect to any Person that is partially owned by such Principal and does not otherwise constitute an Affiliate (a “Partially-Owned Person”), such Partially-Owned Person shall be considered an Affiliate of such Principal for purposes of this Agreement if such Principal can, after making a good faith effort to do so, legally bind such Partially-Owned Person to this Agreement.

“Agreement” means this Services Agreement, including the Schedules hereto, any Services Letter, any Fee Letter and any SOWs entered into pursuant to Section 2(b).

“Applicable Services” means business process outsourcing services of the type provided in the ordinary course of business of the Providing Party as of the date of this Agreement.

“Customer Party” means a party in its capacity of receiving a Service hereunder, including OCWEN.

“Fee Letter” has the meaning set forth in Section 4(a).

“Fixed Price Project” means any Service designated as such on Schedule I, in the Services Letter or the applicable SOW.

“Providing Party” means a party in its capacity of providing a Service hereunder, including ALTISOURCE.

“Services” means the services set forth on Schedule I (as further described in the Services Letter) and/or in any SOWs, as the context requires.

“SOW” means a statement of work entered into between the parties on an as-needed basis to describe a particular service that is not covered specifically in a schedule hereto or in the Services Letter, but has been agreed to be provided pursuant to the terms of this Agreement except as otherwise set forth in such SOW.

## 2. Provision of Services.

(a) *Generally.* Subject to the terms and conditions of this Agreement, ALTISOURCE shall provide, or cause to be provided, to OCWEN and the OCWEN Group, the services set forth on Schedule I, in each case (i) as further described in a letter between the Providing Party and the Customer Party dated as of the date hereof (the “Services Letter”) and (ii) for the periods commencing on the date hereof through the respective period specified on Schedule I (the “Service Period”), unless such period is earlier terminated in accordance with Section 5.

(b) *Statements of Work.* In addition to the services set forth on Schedule I, from time to time during the term of this Agreement the parties shall have the right to enter into SOWs to set forth the terms of any related or additional services to be performed hereunder. Any SOW shall be agreed to by each party, shall be in writing and (I) shall contain, to the extent applicable: (i) the identity of each of the Providing Party and the Customer Party; (ii) a description of the Services to be performed thereunder; (iii) the applicable Performance Standard for the provision of such Service, if different from the Performance Standard; (iv) a description of the penalties of nonperformance and the incentives for performance in accordance with the applicable Performance Standard; (v) a description of the Customer Party’s criteria for evaluating the acceptance of deliverables; (vi) the amount, schedule and method of compensation for provision of such Service; and (vii) the Customer Party’s standard operating procedures for receipt of services similar to such Service, including operations, compliance requirements and

related training schedules; and (II) may contain (i) a description of the renewal option for such SOW; (ii) information technology support requirements of the Customer Party with respect to such Service; (iii) training and support commitments with respect to such Service; (iv) the number of full-time employees required for such Service; and (v) any other terms the parties desired by. For the avoidance of doubt, the terms and conditions of this Agreement shall apply to any SOW.

(c) The Services shall be performed on Business Days during hours that constitute regular business hours for each of OCWEN and ALTISOURCE, unless otherwise agreed or as provided on Schedule I, in the Services Letter or an applicable SOW. No Customer Party, nor any member of its respective Group, shall resell, subcontract, license, sublicense or otherwise transfer any of the Services to any Person whatsoever or permit use of any of the Services by any Person other than by the Customer Party and its Affiliates directly in connection with the conduct of the Customer Party's respective business in the ordinary course of business.

(d) Notwithstanding anything to the contrary in this Section 2 (but subject to the second succeeding sentence), the Providing Party shall have the exclusive right to select, employ, pay, supervise, administer, direct and discharge any of its employees who will perform Services. The Providing Party shall be responsible for paying such employees' compensation and providing to such employees any benefits. With respect to each Service, the Providing Party shall use commercially reasonable efforts to have qualified individuals participate in the provision of such Service; provided, however, that (i) the Providing Party shall not be obligated to have any individual participate in the provision of any Service if the Providing Party determines that such participation would adversely affect the Providing Party or its Affiliates; and (ii) none of the Providing Party or its Affiliates shall be required to continue to employ any particular individual during the applicable Service Period.

3. Standard of Performance. The Providing Party shall use commercially reasonable efforts to provide, or cause to be provided, to the Customer Party and its Group, each Service with such quality standards, service level requirements, specifications and acceptance criteria identified in the Services Letter or the respective SOW (including any "Critical Performance Standards" as identified in any therein) (the "Performance Standard"), unless otherwise specified in this Agreement. Notwithstanding the foregoing, no Providing Party shall have any obligation hereunder to provide to any Customer Party any improvements, upgrades, updates, substitutions, modifications or enhancements to any of the Services unless otherwise specified in the Services Letter or applicable SOW. The Customer Party acknowledges and agrees that the Providing Party may be providing services similar to the Services provided hereunder and/or services that involve the same resources as those used to provide the Services to its and its Affiliates' business units and other third parties.

#### 4. Fees for Services.

(a) As compensation for a particular Service, the Customer Party agrees to pay to the Providing Party, for each of the first two (2) successive years during which such Service is provided (the "Initial Fee Period"), the respective amount set forth in (i) the Services Letter (or, if applicable, in a separate fee letter to be delivered by the Providing Party to the Customer Party dated as of the date hereof (the "Fee Letter")) or (ii) with respect to any Service

performed pursuant to an SOW, in such SOW. The parties intend that any such fees reflect the market rate for comparable services. In the event the Services provided are increased or decreased during the Service Period, the fees associated therewith shall be increased or decreased, as applicable, on a pro rata basis.

(b) The fees for the Services other than Fixed Price Projects shall be adjusted in each year subsequent to the Initial Fee Period as negotiated between the parties in good faith based on prevailing market conditions and inflation.

(c) The Customer Party shall not be obligated to pay fees for (i) new Services, other than Additional Services or Services requested pursuant to a SOW, which the Providing Party performs without the authorization of the Customer Party or of any member of its Group or (ii) Services not provided due to a Force Majeure Event (as defined below).

(d) The parties will adhere to the business practices regarding invoicing and payment in place at the time of execution of this Agreement for all Services initially provided by the Providing Party for a maximum period of one year from the date of this Agreement. After one year or in the case of any SOW and unless otherwise specified in the applicable SOW, the Providing Party shall submit statements of account to the Customer Party (including any Sales Tax, as defined in [Section 16](#)) on a monthly basis with respect to all amounts payable by the Customer Party to the Providing Party hereunder (the "Invoiced Amount"), setting out the Services provided (by reference to the particular SOW, if applicable), and the amount billed in United States Dollars to the Customer Party as a result of providing such Services. The Customer Party shall pay the Invoiced Amount to the Providing Party by wire transfer of immediately available funds to an account or accounts specified by the Providing Party, or in such other manner as specified by the Providing Party in writing, or otherwise reasonably agreed to by the Parties, within 30 days of the date of delivery to the Customer Party of the applicable statement of account; provided, that, in the event of any dispute as to an Invoiced Amount, the Customer Party shall pay the undisputed portion, if any, of such Invoiced Amount in accordance with the foregoing, and shall pay the remaining amount, if any, promptly upon resolution of such dispute.

(e) The Providing Party shall maintain books and records adequate for the provision of the Services. At its own expense, the Customer Party may request an audit of the books and records of the Providing Party to determine performance in accordance with [Section 4\(d\)](#). If such audit reveals an underpayment of fees, the Customer Party shall promptly pay the underpayment amount in accordance with the terms of this Agreement. If such audit reveals an overpayment of fees, the Providing Party shall promptly refund the overpayment amount in accordance with [Section 4\(d\)](#).

(f) The Providing Party may, in its discretion and without any liability, suspend any performance under this Agreement upon failure of the Customer Party to make timely any payments required under this Agreement beyond the applicable cure date specified in [Section 6\(b\)\(1\)](#) of this Agreement.

(g) In the event that the Customer Party does not make any payment required under the provisions of this Agreement (including, for the avoidance of doubt, the Services

Letter and/or the Fee Letter) to the Providing Party when due in accordance with the terms hereof, the Providing Party may, at its option, charge the Customer Party interest on the unpaid amount at the rate of 2% per annum above the prime rate charged by JPMorgan Chase Bank, N.A. (or its successor). In addition, the Customer Party shall reimburse the Providing Party for all costs of collection of overdue amounts, including any reasonable attorneys' fees.

(h) In the event that (i) Providing Party agrees to provide services that are the same or substantially similar to the Services and Additional Services provided hereunder to a third party ("Relevant Services"), (ii) such Relevant Services are delivered and priced in a manner substantially similar to the delivery and pricing structure provided for by this Agreement, the Services Letter and the Fee Letter (if any) and are of a similar volume, (iii) the fees to be received by Providing Party from each of Customer Party and such third party are reasonably expected to exceed \$1,000,000 per year, (iv) the fee rates in the aggregate to be charged by the Providing Party for any particular Relevant Service (a "Reduced Cost Service") are less than the fee rates in the aggregate for the corresponding Service or Additional Service charged under this Agreement, the Services Letter and the Fee Letter (if any), and (v) after giving good faith consideration to any higher fee rates charged by Providing Party for any other Relevant Services other than the Reduced Cost Service being provided to such third party, the aggregate economic benefit received by Providing Party for providing all such Relevant Services is less than the aggregate economic benefit received by Providing Party for providing the Services and Additional Services, then within thirty Business Days of entering into a binding agreement to provide the Relevant Services to such third party, Providing Party shall offer to provide to Customer Party the Service and/or Additional Service corresponding to the Reduced Cost Service at the same rate as Providing Party provides the Reduced Cost Service to such third party. The fees provided for under this Agreement, the Services Letter and the Fee Letter (if any) shall be reduced to an amount equal to the fees charged for the Reduced Cost Service effective as of the later of (x) the first day of the immediately succeeding calendar quarter after the date on which Providing Party notifies Customer Party of the Reduced Cost Service or (y) thirty days after the date on which Providing Party notifies Customer Party of the Reduced Cost Service. For purposes of clarification only, this Section 4(h) shall not apply to situations where Providing Party agrees to provide test or trial services to a third party.

5. Term.

(a) *Initial Term*. This Agreement shall commence on the Distribution Date and shall continue in full force and effect, subject to Section 5(b), until the date that is eight (8) years from the Distribution Date (the "Initial Term"), or the earlier date upon which this Agreement has been otherwise terminated in accordance with the terms hereof.

(b) *Renewal Term*. This Agreement may be renewed for successive two (2) year terms (each, a "Renewal Term") by mutual written agreement of the parties hereto, executed not less than six (6) months prior to the expiration of the Initial Term or any Renewal Term, as applicable.

(c) In the event either party decides that it does not wish to renew this Agreement or any particular Service or SOW hereunder before the expiration of the Initial Term

or any Renewal Term, as applicable, such party shall so notify the other party at least nine (9) months before the completion of the Initial Term or Renewal Term, as applicable.

6. Termination.

(a) *Termination by Customer Party.* During the term of this Agreement, the Customer Party may terminate this Agreement (or, with respect to all items except items (2) and (7) below, the particular Service or SOW only):

- (1) if the Customer Party is prohibited by law from receiving such Services from the Providing Party;
- (2) in the event of a material breach of any covenant or representation and warranty contained herein or otherwise directly relating to or affecting the Services to be provided hereunder of the Providing Party that cannot be or has not been cured by the 30<sup>th</sup> day from the Customer Party's giving of written notice of such breach to the Providing Party, which notice shall be given within 45 days of the later of the occurrence of such breach or Customer Party's discovery of such breach;
- (3) if the Providing Party fails to comply with all applicable regulations to which the Providing Party is subject directly relating to or affecting the Services to be performed hereunder, which failure cannot be or has not been cured by the 30<sup>th</sup> day from the Customer Party's giving of written notice of such failure to the Providing Party, which such notice shall be given within 45 days of the later of the occurrence of such failure or Customer Party's discovery of such failure;
- (4) if the Providing Party or any member of its Group providing Services hereunder is cited by a Governmental Authority for materially violating any law governing the performance of a Service, which violation cannot be or has not been cured by the 30<sup>th</sup> day from the Customer Party's giving of written notice of such citation to the Providing Party, which such notice shall be given within 45 days of the later of the occurrence of such citation or Customer Party's discovery of such citation;
- (5) if the Providing Party fails to meet any Critical Performance Standard for a period of two consecutive months or three nonconsecutive months in any rolling 12-month period, which failure cannot be or has not been cured by the 30<sup>th</sup> day from the Customer Party's giving of written notice of such failure to the Providing Party, which such notice shall be given within 45 days of the later of the occurrence of such failure or Customer Party's discovery of such failure;
- (6) if the Providing Party fails to meet any Performance Standard for a period of two consecutive months or four nonconsecutive months in any rolling 12-month period, which failure cannot be or has not been cured by the 30<sup>th</sup> day from the Customer Party's giving of written notice of such failure to



the Providing Party, which such notice shall be given within 45 days of the later of the occurrence of such failure or Customer Party's discovery of such failure; and

- (7) if the Providing Party (A) becomes insolvent, (B) files a petition in bankruptcy or insolvency, is adjudicated bankrupt or insolvent or files any petition or answer seeking reorganization, readjustment or arrangement of its business under any law relating to bankruptcy or insolvency, or if a receiver, trustee or liquidator is appointed for any of the property of the other party and within 60 days thereof such party fails to secure a dismissal thereof or (C) makes any assignment for the benefit of creditors, which bankruptcy, insolvency or assignment cannot be or has not been cured by the 30<sup>th</sup> day from the Customer Party's giving of written notice of such event to the Providing Party, which such notice shall be given within 45 days of the later of the occurrence of such event or Customer Party's discovery of such event, and
- (8) in the event of any material infringement of such Customer Party's Intellectual Property (as defined in the Intellectual Property Agreement), including intellectual property developed hereunder pursuant to Section 10 below, by the Providing Party, which infringement cannot be or has not been cured by the 30<sup>th</sup> day from the Customer Party's giving of written notice of such event to the Providing Party, which such notice shall be given within 45 days of the later of occurrence of such event or Customer Party's discovery of such event.

For the avoidance of doubt, with respect to all items except item (1) above, if the Providing Party has cured the underlying event or circumstance giving rise to written notice of the same, within the time period specified above, the Customer Party may not terminate this Agreement or the applicable Service or SOW; provided, however, that the Customer Party may, if it so states in the written notice required to be provided to the Providing Party pursuant to the above, cause the Providing Party to suspend the Service performed under this Agreement or the applicable SOW until the Providing Party has cured such breach, failure, insolvency, bankruptcy or assignment, as the case may be. Furthermore, if the Providing Party is unable to effect a cure of the event or circumstance occurring under this Section 6(a) within the time period specified, despite a good faith effort to effect such cure, the Customer Party shall allow the Providing Party such additional time as reasonably required to effect such cure without termination of this Agreement or the applicable Service or SOW, but in no event shall such additional time exceed 90 days unless otherwise agreed by the parties.

(b) *Termination by Providing Party.* During the term of this Agreement, the Providing Party may terminate this Agreement or the particular Service or SOW only:

- (1) if the Customer Party fails to make any payment for any portion of Services the payment of which is not being disputed in good faith by the Customer Party, which payment remains unpaid by the 90<sup>th</sup> day from the

Providing Party's giving of written notice of such failure to the Customer Party;

- (2) if the Customer Party, or any member of its Group providing Services hereunder, or the Providing Party receives an order from a Governmental Authority prohibiting the performance of the Services;
- (3) if the Providing Party or any member of its Group providing Services hereunder is notified by a Governmental Authority, due to the actions of the Customer Party, for materially violating any law governing the performance of a Service, which violation cannot be or has not been cured by the Customer Party by the 60<sup>th</sup> day from the receipt of notice of such violation;
- (4) if the Customer Party or any member of its Group (A) becomes insolvent, (B) files a petition in bankruptcy or insolvency, is adjudicated bankrupt or insolvent or files any petition or answer seeking reorganization, readjustment or arrangement of its business under any law relating to bankruptcy or insolvency, or if a receiver, trustee or liquidator is appointed for any of the property of the other party and within 60 days thereof such party fails to secure a dismissal thereof or (C) makes any assignment for the benefit of creditors;
- (5) in the event of any material infringement of such Providing Party's Intellectual Property (as defined in the Intellectual Property Agreement), including intellectual property developed hereunder pursuant to Section 10 below, by the Customer Party or any member of its Group; and
- (6) in the event of a material breach of any covenant or representation and warranty contained herein or otherwise directly relating to or affecting the Services to be provided hereunder of the Customer Party or any member of its Group that cannot be or has not been cured by the 60<sup>th</sup> day from the Providing Party's giving of written notice of such breach to the Customer Party.

For the avoidance of doubt, with respect to items (3) and (6) above, if the Customer Party has cured the underlying event or circumstance giving rise to written notice of the same, within the time period specified above, the Providing Party may not terminate this Agreement or the applicable Service or SOW; provided, however, that the Providing Party may, if it so states in the written notice required to be provided to the Customer Party pursuant to the above, suspend the Service performed hereunder or under the applicable SOW until the Customer Party has cured such violation or breach, as the case may be. Furthermore, if the Customer Party is unable to effect a cure of the event or circumstance occurring under this Section 6(b) within the time period specified, despite a good faith effort to effect such cure, Providing Party shall allow Customer Party such additional time as reasonably required to effect such cure without termination of this Agreement or the applicable Service or SOW, but in no event shall such additional time exceed 90 days unless otherwise agreed by the parties.

(c) *Termination for Convenience.* Any Service or SOW may be terminated in whole or in part by the Customer Party on not less than 90 days' written notice of such termination to the Providing Party in the event the Customer Party and the members of its Group discontinue the line of business receiving such Services. In the event the Customer Party terminates such Service or SOW in accordance with this Section 6(c) unless otherwise set forth herein or in the applicable SOW, such party shall be responsible for payment of the following costs and expenses which are directly related to or resulting from the early termination of such Service or SOW: (i) costs and expenses relating to the re-employment or termination of a Providing Party's employee who had been previously engaged in providing the Services governed by the terminated Service or SOW, (ii) costs and expenses relating to existing contracts with third parties that had been entered into by the Providing Party or any member of its Group solely for the provision of Services under such terminated Service or SOW and (iii) costs and expenses relating to facilities, hardware and equipment (including depreciation) used solely for the purpose of providing such Services or SOW.

(d) *Wind-Down Period.* During the period that is six (6) months prior to the date of termination of this Agreement, the Providing Party shall have no obligation to (i) expand the scope of its Services under this Agreement or any SOW, (ii) perform any new or additional Services under this Agreement or any SOW, or (iii) invest in hardware, software or equipment for performance against a Service or SOW.

(e) *Post-Termination Services.* Upon termination of this Agreement, any SOW or any Services, for any reason whatsoever, the Customer Party or any member of its Group may elect to purchase post-termination services from the Providing Party for a period of 270 days from the date on which this Agreement terminates on the current terms hereunder or in place under the applicable SOW(s).

(f) *Effects of Termination.*

- (1) Upon the early termination of any Service pursuant to this Section 6 or upon the expiration of the applicable Service Period, following the effective time of the termination, the Providing Party shall no longer be obligated to provide such Service; provided that the Customer Party shall be obligated to reimburse the Providing Party for any reasonable out-of-pocket expenses or costs attributable to such termination unless otherwise provided herein or in the applicable SOW(s).
- (2) No termination, cancelation or expiration of this Agreement shall prejudice the right of either party hereto to recover any payment due at the time of termination, cancelation or expiration (or any payment accruing as a result thereof), nor shall it prejudice any cause of action or claim of either party hereto accrued or to accrue by reason of any breach or default by the other party hereto.
- (3) Notwithstanding any provision herein to the contrary, Sections 4, 9 and 12 through 22 of this Agreement shall survive the termination of this Agreement.

7. Change Order Procedures; Temporary Emergency Changes.

(a) The parties hereto may change the nature and scope of Services provided hereunder or under any SOW by mutual agreement. The party seeking the change shall submit a request containing: (i) the identity of the party requesting such change; (ii) the reason(s) for the change; (iii) a description of the requested change; and (iv) a timetable for the implementation of the change. The non-requesting Party shall have 30 Business Days to consider the suggested change and either approve or decline such change. For the avoidance of doubt, no change to any Service or SOW will become part of the Performance Standard for such Service or SOW without the Providing Party's prior approval.

(b) The parties hereto agree to cooperate in good faith to determine and implement additional procedures for change orders as needed.

(c) Notwithstanding the foregoing, in the event the Providing Party is unable to contact the Customer Group's designated contact for a specific Service or SOW after reasonable effort, the Providing Party may make temporary changes to any SOW or Services, which the Providing Party shall document and report to the Customer Party the next Business Day. Such changes shall become permanent only if the Providing Party subsequently follows the procedures in Section 7(a) hereof for permanent change order procedures. The Customer Party shall not be obligated to pay for any changed Services performed without its prior approval.

(d) The Customer Party may, in an emergency, request additional Services to be performed as promptly as practicable, and the Providing Party shall use its reasonable best efforts to perform such Services as promptly as practicable. While the Providing Party will continue to provide services in line with the request from the Customer Party, in the event that the Providing Party plans to incur materially additional costs in providing this service, the Providing Party may submit a financial proposal to make the Providing Party financially whole. In such a case, the Customer Party and Providing Party may agree for the one-time increase in payment for the emergency. Such emergency request shall last no longer than 30 Business Days, and the Providing Party shall have no obligation to continue performing such Services unless the Customer Party follows the procedures in Section 7(a) hereof for permanent change order procedures.

8. Right of First Opportunity.

(a) If the Customer Party or any member of its Group elects to receive any Additional Service (as defined below), it shall first request a proposal for the provision of such Additional Service from the Providing Party. The Providing Party shall have 30 Business Days (the "Exclusive Tender Period") to respond to such request for Additional Service and to provide a proposed SOW to the Customer Party. During the Exclusive Tender Period, the Customer Party shall not solicit proposals or negotiate with any other third party with respect to such request for Additional Service. Upon receipt of the Providing Party's proposal for the Additional Service, the Customer Party shall consider such proposal and shall negotiate with the Providing Party in good faith with respect to the possible provision by the Providing Party of such Additional Services.

(b) If, at the end of the Exclusive Tender Period, the Providing Party and the Customer Party do not agree on the proposed SOW, the Customer Party may solicit proposals from third parties with respect to the Additional Service; provided, however, that the Customer Party shall not disclose any information received from the Providing Party, whether verbal or written, in the proposed SOW or during the Exclusive Tender Period negotiations, and such information shall be subject to the terms of Section 12 (Confidentiality) hereof.

(c) As an alternative to the procedures set forth in Sections 8(a) and 8(b), Customer Party may solicit proposals or negotiate with third parties with respect to an Additional Service (such third parties, "Third Party Additional Service Providers") during the Exclusive Tender Period so long as:

- i) at least fifteen Business Days prior to engaging any Third Party Additional Service Provider, Customer Party shall disclose to Providing Party a description of the Additional Services to be provided by such Third Party Additional Service Provider and all fees, costs and other expenses to be charged by such Third Party Additional Service Provider (such description, a "Third Party Additional Service Offer"),
- ii) within ten Business Days of receipt of any Third Party Additional Service Offer, Providing Party shall have the right to make an offer (a "Matching Offer") to provide the same or substantially the same Additional Services as set forth in the Third Party Additional Service Offer, and
- iii) if the fees set forth in the Matching Offer do not exceed the fees set forth in the Third Party Additional Services Offer, Customer Party may not accept the Third Party Additional Services Offer. Conversely, if the fees set forth in the Matching Offer exceed the fees set forth in the Third Party Additional Services Offer, Customer Party may accept the Third Party Additional Services Offer.

(d) For purposes of this Agreement, "Additional Service" means: a service that (i) is reasonably similar to the Services provided hereunder or under any SOW, (ii) reasonably could be performed in facilities located in India, the United States, Canada, Uruguay or other facilities similar to the Providing Party's facilities in these locations; (iii) reasonably would be expected to involve a purchase volume greater than \$200,000 on an annual basis; and (iv) is not an Applicable Service.

(e) For the avoidance of doubt, the Providing Party shall not be restricted from providing services to a third party that are similar or identical to the Services.

#### 9. Miscellaneous.

(a) This Agreement may be executed in one or more counterparts, including by facsimile, all of which shall be considered one and the same agreement, and shall become effective when one or more counterparts have been signed by each party hereto or thereto and delivered to the other parties hereto or thereto.

(b) This Agreement, the schedules hereto, the Services Letter and any Fee Letter, contain the entire agreement between the parties with respect to the subject matter hereof, supersede all previous agreements, negotiations, discussions, writings, understandings, commitments and conversations with respect to such subject matter and there are no agreements or understandings between the parties with respect to the subject matter hereof other than those set forth or referred to herein or therein.

(c) OCWEN represents on behalf of itself and each other member of the OCWEN Group, and ALTISOURCE represents on behalf of itself and each other member of the ALTISOURCE Group, as follows:

i) each such Person has the requisite corporate or other power and authority and has taken all corporate or other action necessary in order to execute, deliver and perform this Agreement and to consummate the transactions contemplated hereby; and

ii) this Agreement has been duly executed and delivered by it and constitutes, or will constitute, a valid and binding agreement of it enforceable in accordance with the terms hereof.

(d) This Agreement shall be governed by and construed and interpreted in accordance with the internal laws of the State of New York applicable to contracts made and to be performed wholly in such State and irrespective of the choice of law principles of the State of New York, as to all matters.

(e) Except for the indemnification rights under this Agreement (a) the provisions of this Agreement are solely for the benefit of the parties hereto and are not intended to confer upon any Person except the parties hereto any rights or remedies hereunder and (b) there are no third party beneficiaries of this Agreement, and this Agreement shall not provide any third person with any remedy, claim, liability, reimbursement, cause of action or other right in excess of those existing without reference to this Agreement.

(f) All notices or other communications under this Agreement shall be in writing and shall be deemed to be duly given when (a) delivered in person, (b) sent by telecopier (except that, if not sent during normal business hours for the recipient, then at the opening of business on the next business day for the recipient) to the fax numbers set forth below or (c) deposited in the United States mail or private express mail, postage prepaid, addressed as follows:

If to OCWEN, to:

Ocwen Financial Corporation  
1661 Worthington Road, Suite 100  
West Palm Beach, Florida 33409  
Attn: Corporate Secretary  
Fax No.: (561) 682-8177

If to ALTISOURCE to:

Altisource Solutions S.à r.l.  
2-8 Avenue Charles De Gaulle  
L-1653 Luxembourg  
Attn: Corporate Secretary  
Fax No.: [                    ]

Either Party may, by notice to the other party, change the address to which such notices are to be given.

(g) If any provision of this Agreement or the application thereof to any Person or circumstance is determined by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions hereof, or the application of such provision to Persons or circumstances or in jurisdictions other than those as to which it has been held invalid or unenforceable, shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby, so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to either party. Upon any such determination, the parties shall negotiate in good faith in an effort to agree upon a suitable and equitable provision to effect the original intent of the parties.

(h) The article, section and paragraph headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

(i) Waiver by any Party hereto of any default by any other party hereto of any provision of this Agreement shall not be deemed a waiver by the waiving Party of any subsequent or other default.

(j) In the event of any actual or threatened default in, or breach of, any of the terms, conditions and provisions of this Agreement, the party or parties who are to be hereby aggrieved shall have the right to seek specific performance and injunctive or other equitable relief of its rights under this Agreement, in addition to any and all other rights and remedies at law or in equity, and all such rights and remedies shall be cumulative. The other party or parties shall not oppose the granting of such relief. The parties to this Agreement agree that the remedies at law for any breach or threatened breach hereof, including monetary damages, are inadequate compensation for any loss and that any defense in any action for specific performance that a remedy at law would be adequate is waived. Any requirements for the securing or posting of any bond with such remedy are waived.

(k) No provisions of this Agreement shall be deemed waived, amended, supplemented or modified by any Party hereto, unless such waiver, amendment, supplement or modification is in writing and signed by the authorized representative of the party against whom it is sought to enforce such waiver, amendment, supplement or modification.

(l) Words in the singular shall be held to include the plural and vice versa and words of one gender shall be held to include the other genders as the context requires. The terms “hereof,” “herein,” and “herewith” and words of similar import, unless otherwise stated, shall be construed to refer to this Agreement as a whole (including all of the schedules hereto) and not to any particular provision of this Agreement. Article, Section, Exhibit, Schedule and Appendix references are to the articles, sections, exhibits, schedules and appendices of or to this Agreement unless otherwise specified. Any reference herein to this Agreement, unless otherwise stated, shall be construed to refer to this Agreement as amended, supplemented or otherwise modified from time to time, as permitted by [Section 9\(k\)](#). The word “including” and words of similar import when used in this Agreement shall mean “including, without limitation,” unless the context otherwise requires or unless otherwise specified. The word “or” shall not be exclusive. There shall be no presumption of interpreting this Agreement or any provision hereof against the draftsman of this Agreement or any such provision.

(m) Any action or proceeding arising out of or relating to this Agreement shall be brought in the courts of the State of New York located in the County of New York or in the United States District Court for the Southern District of New York (if any Party to such action or proceeding has or can acquire jurisdiction), and each of the parties hereto irrevocably submits to the exclusive jurisdiction of each such court in any such action or proceeding, waives any objection it may now or hereafter have to venue or to convenience of forum, agrees that all claims in respect of the action or proceeding shall be heard and determined only in any such court and agrees not to bring any action or proceeding arising out of or relating to this Agreement in any other court. The parties to this Agreement agree that any of them may file a copy of this paragraph with any court as written evidence of the knowing, voluntary and bargained agreement between the parties hereto and thereto irrevocably to waive any objections to venue or to convenience of forum. Process in any action or proceeding referred to in the first sentence of this [Section 9\(m\)](#) may be served on any Party to this Agreement anywhere in the world.

10. **Intellectual Property.** The Providing Party or a member of its Group shall retain all rights to all technology and intellectual property owned or licensed by the Providing Party or a member of its Group prior to the provision of Services hereunder or developed by the Providing Party and any member of its Group during the course of and in association with the provision of Services under this Agreement by the Providing Party and any member of its Group, including all derivative works. The Customer Party and any member of its Group shall retain all rights to all intellectual property owned or licensed by the Customer Party or a member of its Group prior to the provision of Services hereunder or developed by the Customer Party or a member of its Group during the course of and in association with the provision of Services by the Providing Party under this Agreement, including all derivative works. To the extent any technology or intellectual property is jointly developed by the Providing Party or a member of its Group on the one hand and the Customer Party or a member of its Group on the other, it shall be deemed OCWEN IP, if it relates to the OCWEN Business, or ALTISOURCE Licensed



Intellectual Property, if it relates to the ALTISOURCE Business, as these terms are defined in the Intellectual Property Agreement. Any intellectual property not already part of the ALTISOURCE IP, the ALTISOURCE Licensed Intellectual Property, or the OCWEN IP, as those terms are defined in the Intellectual Property Agreement, shall become ALTISOURCE Licensed Intellectual Property, if owned by ALTISOURCE, or OCWEN IP, if owned by OCWEN. All intellectual property that is involved in the provision of Services hereunder, therefore, shall be subject to the terms and conditions of the Intellectual Property Agreement.

**11. Cooperation; Access; Steering Committee.**

(a) The Customer Party shall, and shall cause its Group to, permit the Providing Party and its employees and representatives access, on Business Days during hours that constitute regular business hours for the Customer Party and upon reasonable prior request, to the premises of the Customer Party and its Group and such data, books, records and personnel designated by the Customer Party and its Group as involved in receiving or overseeing the Services as the Providing Party may reasonably request for the purposes of providing the Services. The Providing Party shall provide the Customer Party, upon reasonable prior written notice, such documentation relating to the provision of the Services as the Customer Party may reasonably request for the purposes of confirming any Invoiced Amount pursuant to this Agreement. Any documentation so provided to the Providing Party pursuant to this Section 11 will be subject to the confidentiality obligations set forth in Section 12 of this Agreement.

(b) Each party hereto shall designate a relationship manager (each, a "Relationship Executive") to report and discuss issues with respect to the provision of the Services and successor relationship executives in the event that a designated Relationship Executive is not available to perform such role hereunder. The initial Relationship Executive designated by OCWEN shall be Ronald M. Faris and the initial Relationship Executive designated by ALTISOURCE shall be William B. Shepro. Either party may replace its Relationship Executive at any time by providing written notice thereof to the other party hereto.

**12. Confidentiality.**

(a) Subject to Section 12(b), each of OCWEN and ALTISOURCE, on behalf of itself and each other member of its Group, agrees to hold, and to cause its directors, officers, employees, agents, accountants, counsel and other advisors and representatives to hold, in strict confidence, with at least the same degree of care that applies to confidential and proprietary information of OCWEN pursuant to policies in effect as of the Distribution Date, all Information concerning the other Group that is either in its possession (including Information in its possession prior to the Distribution Date) or furnished by the other Group or its directors, officers, employees, agents, accountants, counsel and other advisors and representatives at any time pursuant to this Agreement, and shall not use any such Information other than for such purposes as shall be expressly permitted hereunder, except to the extent that such Information has been (i) in the public domain through no fault of such party or any other member of such Group or any of their respective directors, officers, employees, agents, accountants, counsel and other advisors and representatives, (ii) later lawfully acquired from other sources by such party (or any other member of such party's Group), which sources are not known by such party to be

themselves bound by a confidentiality obligation, or (iii) independently generated without reference to any proprietary or confidential Information of any member of the other Group.

(b) Each party agrees not to release or disclose, or permit to be released or disclosed, any such Information (excluding Information described in clauses (i), (ii) and (iii) of Section 12(a)) to any other Person, except its directors, officers, employees, agents, accountants, counsel and other advisors and representatives who need to know such Information (who shall be advised of their obligations hereunder with respect to such Information), except in compliance with Section 12(c). Without limiting the foregoing, when any Information is no longer needed for the purposes contemplated by this Agreement, each party will promptly, after request of the other party, either return the Information to the other party in a tangible form (including all copies thereof and all notes, extracts or summaries based thereon) or certify to the other party that any Information not returned in a tangible form (including any such Information that exists in an electronic form) has been destroyed (and such copies thereof and such notes, extracts or summaries based thereon).

(c) In the event that either party or any other member of its Group either determines on the advice of its counsel that it is required to disclose any Information pursuant to applicable law or receives any demand under lawful process or from any Governmental Authority to disclose or provide Information of the other party (or any other member of the other party's Group) that is subject to the confidentiality provisions hereof, such party shall, to the extent permitted by law, notify the other party prior to disclosing or providing such Information and shall cooperate, at the expense of the requesting Party, in seeking any reasonable protective arrangements requested by such other party. Subject to the foregoing, the Person that received such request may thereafter disclose or provide Information to the extent required by such law (as so advised by counsel) or by lawful process or such Governmental Authority.

#### 13. Dispute Resolution.

(a) It is the intent of the parties to use reasonable best efforts to resolve expeditiously any dispute, controversy or claim between or among them with respect to the matters covered hereby that may arise from time to time on a mutually acceptable negotiated basis. In furtherance of the foregoing, a Party involved in a dispute, controversy or claim may deliver a notice (an "Escalation Notice") demanding an in-person meeting involving representatives of the parties at a senior level of management (or if the parties agree, of the appropriate strategic business unit or division within such entity). A copy of any such Escalation Notice shall be given to the General Counsel, or like officer or official, of the party involved in the dispute, controversy or claim (which copy shall state that it is an Escalation Notice pursuant to this Agreement). Any agenda, location or procedures for such discussions or negotiations between the parties may be established by the parties from time to time; provided, however, that the parties shall use reasonable best efforts to meet within 30 days of the Escalation Notice.

#### 14. Warranties; Limitation of Liability; Indemnity.

(a) Other than the statements expressly made by the Providing Party in this Agreement or in any SOW, the Providing Party makes no representation or warranty, express or implied, with respect to the Services and, except as provided in Section 14(b) hereof, the

Customer Party hereby waives, releases and renounces all other representations, warranties, obligations and liabilities of the Providing Party, and any other rights, claims and remedies of the Customer Party against the Providing Party, express or implied, arising by law or otherwise, with respect to any nonconformance, durability, error, omission or defect in any of the Services, including (i) any implied warranty of merchantability, fitness for a particular purpose or non-infringement, (ii) any implied warranty arising from course of performance, course of dealing or usage of trade and (iii) any obligation, liability, right, claim or remedy in tort, whether or not arising from the negligence of the Providing Party.

(b) None of the Providing Party or any of its Affiliates or any of its or their respective officers, directors, employees, agents, attorneys-in-fact, contractors or other representatives shall be liable for any action taken or omitted to be taken by the Providing Party or such person under or in connection with this Agreement, except that the Providing Party shall be liable for direct damages or losses incurred by the Customer Party or the Customer Party's Group arising out of the gross negligence or willful misconduct of the Providing Party or any of its Affiliates or any of its or their respective officers, directors, employees, agents, attorneys-in-fact, contractors or other representatives in the performance or nonperformance of the Services or Ancillary Services.

(c) In no event shall (i) the amount of damages or losses for which the Providing Party and the Customer Party may be liable under this Agreement exceed the fees due to the Providing Party for the most recent 6 month period under the applicable Service or SOW(s), provided that if Services have been performed for less than 6 months, then the damages or losses will be limited to the value of the actual Services performed during such period; or (ii) the aggregate amount of all such damages or losses for which the Providing Party may be liable under this Agreement exceed \$1,000,000; provided, that, no such cap shall apply to liability for damages or losses arising from or relating to breaches of Section 12 (relating to confidentiality), infringement of Intellectual Property or fraud or criminal acts. Except as provided in Section 14(b) hereof, none of the Providing Party or any of its Affiliates or any of its or their respective officers, directors, employees, agents, attorneys-in-fact, contractors or other representatives shall be liable for any action taken or omitted to be taken by, or the negligence, gross negligence or willful misconduct of, any third party.

(d) Notwithstanding anything to the contrary herein, none of the Providing Party or any of its Affiliates or any of its or their respective officers, directors, employees, agents, attorneys-in-fact, contractors or other representatives shall be liable for damages or losses incurred by the Customer Party or any of the Customer Party's Affiliates for any action taken or omitted to be taken by the Providing Party or such other person under or in connection with this Agreement to the extent such action or omission arises from actions taken or omitted to be taken by, or the negligence, gross negligence or willful misconduct of, the Customer Party or any of the Customer Party's Affiliates.

(e) Without limiting Section 14(b) hereof, no Party hereto or any of its Affiliates or any of its or their respective officers, directors, employees, agents, attorneys-in-fact, contractors or other representatives shall in any event have any obligation or liability to the other party hereto or any such other person whether arising in contract (including warranty), tort (including active, passive or imputed negligence) or otherwise for consequential, incidental,

indirect, special or punitive damages, whether foreseeable or not, arising out of the performance of the Services or this Agreement, including any loss of revenue or profits, even if a Party hereto has been notified about the possibility of such damages; provided, however, that the provisions of this Section 14(e) shall not limit the indemnification obligations hereunder of either party hereto with respect to any liability that the other party hereto may have to any third party not affiliated with any member of the Providing Party's Group or the Customer Party's Group for any incidental, consequential, indirect, special or punitive damages.

(f) The Customer Party shall indemnify and hold the Providing Party and its Affiliates and any of its or their respective officers, directors, employees, agents, attorneys-in-fact, contractors or other representatives harmless from and against any and all damages, claims or losses that the Providing Party or any such other person may at any time suffer or incur, or become subject to, as a result of or in connection with this Agreement or the Services provided hereunder, except those damages, claims or losses incurred by the Providing Party or such other person arising out of the gross negligence or willful misconduct by the Providing Party or such other person.

15. Additional Agreements. The Providing Party shall:

(a) maintain data backup and document storage and retrieval systems adequate for the provision of the Services;

(b) maintain a business continuity plan adequate for the provision of the Services and shall provide a copy of such plan upon the Customer Party's request;

(c) provide the Services under this Agreement and any SOW in compliance with (i) all obligations and applicable laws, including, but not limited to, privacy and data protection laws, labor and overtime laws, tax laws, the U.S. Foreign Corrupt Practices Act and environmental protection laws and (ii) all requirements from any Governmental Authority to maintain necessary licenses and permits;

16. Taxes. Unless otherwise provided herein or in an applicable SOW, each party hereto shall be responsible for the cost of any sales, use, privilege and other transfer or similar taxes imposed upon that Party as a result of the transactions contemplated hereby. Any amounts payable under this Agreement are exclusive of any goods and services taxes, value added taxes, sales taxes or similar taxes ("Sales Taxes") now or hereinafter imposed on the performance or delivery of Services, and an amount equal to such taxes so chargeable shall, subject to receipt of a valid receipt or invoice as required below in this Section 16, be paid by the Customer Party to the Providing Party in addition to the amounts otherwise payable under this Agreement. In each case where an amount in respect of Sales Tax is payable by the Customer Party in respect of a Service provided by the Providing Party, the Providing Party shall furnish in a timely manner a valid Sales Tax receipt or invoice to the Customer Party in the form and manner required by applicable law to allow the Customer Party to recover such tax to the extent allowable under such law.

17. Public Announcements. No Party to this Agreement shall make, or cause to be made, any press release or public announcement or otherwise communicate with any news

media in respect of this Agreement or the transactions contemplated by this Agreement without the prior written consent of the other party hereto unless otherwise required by law, in which case the party making the press release, public announcement or communication shall give the other party reasonable opportunity to review and comment on such and the parties shall cooperate as to the timing and contents of any such press release, public announcement or communication.

18. Assignment. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and permitted assigns. No Party hereto may assign either this Agreement or any of its rights, interests or obligations hereunder without the prior written approval of the other party hereto; provided, however, that either party may assign this Agreement without the consent of the other party to any third party that acquires, by any means, including by merger or consolidation, all or substantially all the consolidated assets of such party. Any purported assignment in violation of this Section 18 shall be void and shall constitute a material breach of this Agreement.

19. Relationship of the Parties. The parties hereto are independent contractors and none of the parties hereto is an employee, partner or joint venturer of the other. Under no circumstances shall any of the employees of a Party hereto be deemed to be employees of the other party hereto for any purpose. Except as expressly provided herein, none of the parties hereto shall have the right to bind the others to any agreement with a third party or to represent itself as a partner or joint venturer of the other by reason of this Agreement.

20. Force Majeure. Neither party hereto shall be in default of this Agreement by reason of its delay in the performance of, or failure to perform, any of its obligations hereunder if such delay or failure is caused by strikes, acts of God, acts of the public enemy, acts of terrorism, riots or other events that arise from circumstances beyond the reasonable control of that Party (each, a "Force Majeure Event"). During the pendency of such Force Majeure Event, each of the parties hereto shall take all reasonable steps to fulfill its obligations hereunder by other means and, in any event, shall upon termination of such intervening event, promptly resume its obligations under this Agreement.

21. Non-Solicitation. The Customer Party acknowledges that the value to the Providing Party of its business and the transactions contemplated by this Agreement would be substantially diminished if such Customer Party or any of its Affiliates were to solicit the employment of or hire any employee of the Providing Party or any member of its Group performing Services or who has performed Services hereunder. Accordingly, the Customer Party agrees that neither it nor any of its Affiliates shall, directly or indirectly and without the prior consent of the other party, solicit the employment of, or hire, employ or retain, or otherwise encourage or cause to leave employment with the Providing Party, or cause any other Person to hire, employ or retain, or otherwise encourage or cause to leave employment with the Providing Party or any of its Affiliates, any Person who is or was employed by the Providing Party or any of its Affiliates with respect to the provision of Services at any time within twelve (12) months preceding the time of such solicitation or hiring, employment, retention or encouragement.

22. Waiver of Jury Trial. EACH PARTY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY, WAIVES (TO THE EXTENT PERMITTED BY APPLICABLE

LAW) ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY OF ANY DISPUTE ARISING UNDER OR RELATING TO THIS AGREEMENT AND AGREES THAT ANY SUCH DISPUTE SHALL BE TRIED BEFORE A JUDGE SITTING WITHOUT A JURY.

\* \* \* \* \*

IN WITNESS WHEREOF, the parties have caused this Services Agreement to be executed as of the date first written above by their duly authorized representatives.

**OCWEN FINANCIAL CORPORATION**

By \_\_\_\_\_  
Name:  
Title:

**ALTISOURCE SOLUTIONS S.À R.L.**

By \_\_\_\_\_  
Name:  
Title:

---

**SCHEDULE I**

**SERVICES**

<u>Service</u>	<u>Service Period (months)</u>
Valuation Services	96
Property Preservation and Inspection	96
REO Sales	96
Trustee Services	96
Title Services	96
Due Diligence Services	96
Mortgage Charge off Collection	96
Mortgage Fulfillment and Underwriting Services	96



**TECHNOLOGY PRODUCTS SERVICES AGREEMENT**, dated as of \_\_\_\_\_, 2009, between OCWEN FINANCIAL CORPORATION, a Florida corporation ("OCWEN" or together with its Affiliates "OCWEN Group"), and ALTISOURCE SOLUTIONS S.à r.l., a private limited liability company organized under the laws of the Grand Duchy of Luxembourg and an indirect, wholly-owned subsidiary of OCWEN ("ALTISOURCE" or together with its Affiliates "ALTISOURCE Group").

#### RECITALS

WHEREAS, OCWEN and Altisource Portfolio Solutions S.A. (formerly known as Altisource Portfolio Solutions S.à r.l., formerly known as Ocwen Luxembourg S.à r.l.), the sole parent of ALTISOURCE ("ALTISOURCE Parent"), are parties to a Separation Agreement dated as of [\_\_\_\_], 2009 (the "Separation Agreement"), pursuant to which OCWEN will (i) separate the ALTISOURCE Business (as defined in the Separation Agreement) and (ii) distribute (the "Separation") to the holders of shares of OCWEN's outstanding capital stock all of the outstanding capital stock of ALTISOURCE Parent;

WHEREAS, following the Separation, ALTISOURCE will operate the ALTISOURCE Business, and OCWEN will operate the OCWEN Business (as defined in the Separation Agreement); and

WHEREAS, following the Separation, OCWEN desires to receive, and ALTISOURCE is willing to provide, or cause to be provided, certain technology products services in connection with the OCWEN Business, in each case subject to the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the mutual agreements, provisions and covenants contained in this Agreement, the parties agree as follows:

##### 1. Definitions.

(a) Capitalized terms used herein and not otherwise defined have the meanings given to such terms in the Separation Agreement.

(b) For the purposes of this Agreement, the following terms shall have the following meanings:

"Affiliate" means with respect to any Person (a "Principal") (a) any directly or indirectly wholly-owned subsidiary of such Principal, (b) any Person that directly or indirectly owns 100% of the voting stock of such Principal or (c) a Person that controls, is controlled by or is under common control with such Principal. As used herein, "control" of any entity means the possession, directly or indirectly, through one or more intermediaries, of the power to direct or cause the direction of the management or policies of such entity, whether through ownership of voting securities or other interests, by contract or otherwise. Furthermore, with respect to any Person that is partially owned by such Principal and does not otherwise constitute an Affiliate (a "Partially-Owned Person"), such Partially-Owned Person shall be considered an Affiliate of such Principal for purposes of this Agreement if such Principal can, after making a good faith effort to do so, legally bind such Partially-Owned Person to this Agreement.

“Agreement” means this Technology Products Services Agreement, including the Schedules hereto, any Technology Products Letter, any Fee Letter and any SOWs entered into pursuant to Section 2(b).

“Applicable Services” means business process outsourcing services of the type provided in the ordinary course of business of the Providing Party as of the date of this Agreement.

“Customer Party” means a party in its capacity of receiving a Service hereunder, including OCWEN.

“Fee Letter” has the meaning set forth in Section 4(a).

“Fixed Price Project” means any Service designated as such on Schedule I, in the Technology Products Letter or the applicable SOW.

“Providing Party” means a party in its capacity of providing a Service hereunder, including ALTISOURCE.

“Services” means the services set forth on Schedule I (as further described in the Technology Products Letter) and/or in any SOWs, as the context requires.

“SOW” means a statement of work entered into between the parties on an as-needed basis to describe a particular service that is not covered specifically in a schedule hereto or in the Services Letter, but has been agreed to be provided pursuant to the terms of this Agreement except as otherwise set forth in such SOW.

## 2. Provision of Services.

(a) *Generally.* Subject to the terms and conditions of this Agreement, ALTISOURCE shall provide, or cause to be provided, to OCWEN and the OCWEN Group, the services set forth on Schedule I, in each case (i) as further described in a letter between the Providing Party and the Customer Party dated as of the date hereof (the “Technology Products Letter”) and (ii) for the periods commencing on the date hereof through the respective period specified on Schedule I (the “Service Period”), unless such period is earlier terminated in accordance with Section 5.

(b) *Statements of Work.* In addition to the services set forth on Schedule I, from time to time during the term of this Agreement the parties shall have the right to enter into SOWs to set forth the terms of any related or additional services to be performed hereunder. Any SOW shall be agreed to by each party, shall be in writing and (I) shall contain, to the extent applicable: (i) the identity of each of the Providing Party and the Customer Party; (ii) a description of the Services to be performed thereunder; (iii) the applicable Performance Standard for the provision of such Service, if different from the Performance Standard; (iv) a description of the penalties of nonperformance and the incentives for performance in accordance with the applicable Performance Standard; (v) a description of the Customer Party’s criteria for evaluating the acceptance of deliverables; (vi) the amount, schedule and method of compensation for provision of such Service; and (vii) the Customer Party’s standard operating procedures for

receipt of services similar to such Service, including operations, compliance requirements and related training schedules; and (II) may contain (i) a description of the renewal option for such SOW; (ii) information technology support requirements of the Customer Party with respect to such Service; (iii) training and support commitments with respect to such Service; (iv) the number of full-time employees required for such Service; and (v) any other terms the parties desired by. For the avoidance of doubt, the terms and conditions of this Agreement shall apply to any SOW.

(c) The Services shall be performed on Business Days during hours that constitute regular business hours for each of OCWEN and ALTISOURCE, unless otherwise agreed or as provided on Schedule I, in the Technology Products Letter or an applicable SOW. No Customer Party, nor any member of its respective Group, shall resell, subcontract, license, sublicense or otherwise transfer any of the Services to any Person whatsoever or permit use of any of the Services by any Person other than by the Customer Party and its Affiliates directly in connection with the conduct of the Customer Party's respective business in the ordinary course of business.

(d) Notwithstanding anything to the contrary in this Section 2 (but subject to the second succeeding sentence), the Providing Party shall have the exclusive right to select, employ, pay, supervise, administer, direct and discharge any of its employees who will perform Services. The Providing Party shall be responsible for paying such employees' compensation and providing to such employees any benefits. With respect to each Service, the Providing Party shall use commercially reasonable efforts to have qualified individuals participate in the provision of such Service; provided, however, that (i) the Providing Party shall not be obligated to have any individual participate in the provision of any Service if the Providing Party determines that such participation would adversely affect the Providing Party or its Affiliates; and (ii) none of the Providing Party or its Affiliates shall be required to continue to employ any particular individual during the applicable Service Period.

3. Standard of Performance. The Providing Party shall use commercially reasonable efforts to provide, or cause to be provided, to the Customer Party and its Group, each Service with such quality standards, service level requirements, specifications and acceptance criteria identified in the Technology Products Letter or the respective SOW (including any "Critical Performance Standards" as identified in any therein) (the "Performance Standard"), unless otherwise specified in this Agreement. Notwithstanding the foregoing, no Providing Party shall have any obligation hereunder to provide to any Customer Party any improvements, upgrades, updates, substitutions, modifications or enhancements to any of the Services unless otherwise specified in the Technology Products Letter or applicable SOW. The Customer Party acknowledges and agrees that the Providing Party may be providing services similar to the Services provided hereunder and/or services that involve the same resources as those used to provide the Services to its and its Affiliates' business units and other third parties.

#### 4. Fees for Services.

(a) As compensation for a particular Service, the Customer Party agrees to pay to the Providing Party, for each of the first two (2) successive years during which such Service is provided (the "Initial Fee Period"), the respective amount set forth in (i) the

Technology Products Letter (or, if applicable, in a separate fee letter to be delivered by the Providing Party to the Customer Party dated as of the date hereof (the "Fee Letter")) or (ii) with respect to any Service performed pursuant to an SOW, in such SOW. The parties intend that any such fees reflect the market rate for comparable services. In the event the Services provided are increased or decreased during the Service Period, the fees associated therewith shall be increased or decreased, as applicable, on a pro rata basis.

(b) The fees for the Services other than Fixed Price Projects shall be adjusted in each year subsequent to the Initial Fee Period as negotiated between the parties in good faith based on prevailing market conditions and inflation.

(c) The Customer Party shall not be obligated to pay fees for (i) new Services, other than Additional Services or Services requested pursuant to a SOW, which the Providing Party performs without the authorization of the Customer Party or of any member of its Group or (ii) Services not provided due to a Force Majeure Event (as defined below).

(d) The parties will adhere to the business practices regarding invoicing and payment in place at the time of execution of this Agreement for all Services initially provided by the Providing Party for a maximum period of one year from the date of this Agreement. After one year or in the case of any SOW and unless otherwise specified in the applicable SOW, the Providing Party shall submit statements of account to the Customer Party (including any Sales Tax, as defined in [Section 16](#)) on a monthly basis with respect to all amounts payable by the Customer Party to the Providing Party hereunder (the "Invoiced Amount"), setting out the Services provided (by reference to the particular SOW, if applicable), and the amount billed in United States Dollars to the Customer Party as a result of providing such Services. The Customer Party shall pay the Invoiced Amount to the Providing Party by wire transfer of immediately available funds to an account or accounts specified by the Providing Party, or in such other manner as specified by the Providing Party in writing, or as otherwise reasonably agreed to by the Parties, within 30 days of the date of delivery to the Customer Party of the applicable statement of account; ~~provided~~, that, in the event of any dispute as to an Invoiced Amount, the Customer Party shall pay the undisputed portion, if any, of such Invoiced Amount in accordance with the foregoing, and shall pay the remaining amount, if any, promptly upon resolution of such dispute.

(e) The Providing Party shall maintain books and records adequate for the provision of the Services. At its own expense, the Customer Party may request an audit of the books and records of the Providing Party to determine performance in accordance with [Section 4\(d\)](#). If such audit reveals an underpayment of fees, the Customer Party shall promptly pay the underpayment amount in accordance with the terms of this Agreement. If such audit reveals an overpayment of fees, the Providing Party shall promptly refund the overpayment amount in accordance with [Section 4\(d\)](#).

(f) The Providing Party may, in its discretion and without any liability, suspend any performance under this Agreement upon failure of the Customer Party to make timely any payments required under this Agreement beyond the applicable cure date specified in [Section 6\(b\)\(1\)](#) of this Agreement.

(g) In the event that the Customer Party does not make any payment required under the provisions of this Agreement (including, for the avoidance of doubt, the Technology Products Letter and/or the Fee Letter) to the Providing Party when due in accordance with the terms hereof, the Providing Party may, at its option, charge the Customer Party interest on the unpaid amount at the rate of 2% per annum above the prime rate charged by JPMorgan Chase Bank, N.A. (or its successor). In addition, the Customer Party shall reimburse the Providing Party for all costs of collection of overdue amounts, including any reasonable attorneys' fees.

5. Term.

(a) *Initial Term.* This Agreement shall commence on the Distribution Date and shall continue in full force and effect, subject to Section 5(b), until the date that is eight (8) years from the Distribution Date (the "Initial Term"), or the earlier date upon which this Agreement has been otherwise terminated in accordance with the terms hereof.

(b) *Renewal Term.* This Agreement may be renewed for successive two (2) year terms (each, a "Renewal Term") by mutual written agreement of the parties hereto, executed not less than six (6) months prior to the expiration of the Initial Term or any Renewal Term, as applicable.

(c) In the event either party decides that it does not wish to renew this Agreement or any particular Service or SOW hereunder upon the expiration of the Initial Term or any Renewal Term, as applicable, such party shall so notify the other party at least nine (9) months before the completion of the Initial Term or Renewal Term, as applicable.

6. Termination.

(a) *Termination by Customer Party.* During the term of this Agreement, the Customer Party may terminate a particular Service or SOW in the event any of the following occurs with respect to such Service or SOW (or, with respect to items (2) and (7) below, Customer may terminate the Agreement in its entirety):

(1) if the Customer Party is prohibited by law from receiving such Services from the Providing Party;

(2) in the event of a material breach of any covenant or representation and warranty contained herein or otherwise directly relating to or affecting the Services to be provided hereunder of the Providing Party that cannot be or has not been cured by the 60<sup>th</sup> day from the Customer Party's giving of written notice of such breach to the Providing Party, which notice shall be given within 45 days of the later of the occurrence of such breach or Customer Party's discovery of such breach;

(3) if the Providing Party fails to comply with all applicable regulations to which the Providing Party is subject directly relating to or affecting the Services to be performed hereunder, which failure cannot be or has not been cured by the 60<sup>th</sup> day from the Customer Party's giving of written notice of such failure to the Providing Party, which such notice shall be given within 45 days of the later of the occurrence of such failure or Customer Party's discovery of such failure;

(4) if the Providing Party or any member of its Group providing Services hereunder is cited by a Governmental Authority for materially violating any law governing the performance of a Service, which violation cannot be or has not been cured by the 60<sup>th</sup> day from the Customer Party's giving of written notice of such citation to the Providing Party, which such notice shall be given within 45 days of the later of the occurrence of such citation or Customer Party's discovery of such citation;

(5) if the Providing Party fails to meet any Critical Performance Standard for a period of two consecutive months or three nonconsecutive months in any rolling 12-month period, which failure cannot be or has not been cured by the 60<sup>th</sup> day from the Customer Party's giving of written notice of such failure to the Providing Party, which such notice shall be given within 45 days of the later of the occurrence of such failure or Customer Party's discovery of such failure;

(6) if the Providing Party fails to meet any Performance Standard for a period of two consecutive months or four nonconsecutive months in any rolling 12-month period, which failure cannot be or has not been cured by the 60<sup>th</sup> day from the Customer Party's giving of written notice of such failure to the Providing Party, which such notice shall be given within 45 days of the later of the occurrence of such failure or Customer Party's discovery of such failure; and

(7) if the Providing Party (A) becomes insolvent, (B) files a petition in bankruptcy or insolvency, is adjudicated bankrupt or insolvent or files any petition or answer seeking reorganization, readjustment or arrangement of its business under any law relating to bankruptcy or insolvency, or if a receiver, trustee or liquidator is appointed for any of the property of the other party and within 60 days thereof such party fails to secure a dismissal thereof or (C) makes any assignment for the benefit of creditors, which bankruptcy, insolvency or assignment cannot be or has not been cured by the 60<sup>th</sup> day from the Customer Party's giving of written notice of such event to the Providing Party, which such notice shall be given within 45 days of the later of the occurrence of such event or Customer Party's discovery of such event, and

(8) in the event of any material infringement of such Customer Party's Intellectual Property (as defined in the Intellectual Property Agreement), including intellectual property developed hereunder pursuant to Section 10 below, by the Providing Party, which infringement cannot be or has not been cured by the 60<sup>th</sup> day from the Customer Party's giving of written notice of such event to the Providing Party, which such notice shall be given within 45 days of the later of the occurrence such event or Customer Party's discovery of such event.

For the avoidance of doubt, with respect to all items except item (1) above, if the Providing Party has cured the underlying event or circumstance giving rise to written notice of the same, within the time period specified above, the Customer Party may not terminate this Agreement or the applicable Service or SOW; provided, however, that the Customer Party may, if it so states in the written notice required to be provided to the Providing Party pursuant to the above, cause the Providing Party to suspend the Service performed under this Agreement or the applicable SOW until the Providing Party has cured such breach, failure, insolvency, bankruptcy or assignment, as the case may be. Furthermore, if the Providing Party is unable to effect a cure

of the event or circumstance occurring under this Section 6(a) within the time period specified, despite a good faith effort to effect such cure, the Customer Party shall allow the Providing Party such additional time as reasonably required to effect such cure without termination of this Agreement or the applicable Service or SOW, but in no event shall such additional time exceed 90 days unless otherwise agreed by the parties.

(b) *Termination by Providing Party.* During the term of this Agreement, the Providing Party may terminate this Agreement or the particular Service or SOW only:

(1) if the Customer Party fails to make any payment for any portion of Services the payment of which is not being disputed in good faith by the Customer Party, which payment remains unpaid by the 90<sup>th</sup> day from the Providing Party's giving of written notice of such failure to the Customer Party;

(2) if the Customer Party, or any member of its Group providing Services hereunder, or the Providing Party receives an order from a Governmental Authority prohibiting the performance of the Services;

(3) if the Providing Party or any member of its Group providing Services hereunder is notified by a Governmental Authority, due to the actions of the Customer Party, for materially violating any law governing the performance of a Service, which violation cannot be or has not been cured by the Customer Party by the 60<sup>th</sup> day from the receipt of notice of such violation;

(4) if the Customer Party or any member of its Group (A) becomes insolvent, (B) files a petition in bankruptcy or insolvency, is adjudicated bankrupt or insolvent or files any petition or answer seeking reorganization, readjustment or arrangement of its business under any law relating to bankruptcy or insolvency, or if a receiver, trustee or liquidator is appointed for any of the property of the other party and within 60 days thereof such party fails to secure a dismissal thereof or (C) makes any assignment for the benefit of creditors;

(5) in the event of any material infringement of such Providing Party's Intellectual Property (as defined in the Intellectual Property Agreement), including intellectual property developed hereunder pursuant to Section 10 below, by the Customer Party or any member of its Group; and

(6) in the event of a material breach of any covenant or representation and warranty contained herein or otherwise directly relating to or affecting the Services to be provided hereunder of the Customer Party or any member of its Group that cannot be or has not been cured by the 60<sup>th</sup> day from the Providing Party's giving of written notice of such breach to the Customer Party.

For the avoidance of doubt, with respect to items (3) and (6) above, if the Customer Party has cured the underlying event or circumstance giving rise to written notice of the same, within the time period specified above, the Providing Party may not terminate this Agreement or the applicable Service or SOW; provided, however, that the Providing Party may, if it so states in the written notice required to be provided to the Customer Party pursuant to the above, suspend the Service performed hereunder or under the applicable SOW until the

Customer Party has cured such violation or breach, as the case may be. Furthermore, if the Customer Party is unable to effect a cure of the event or circumstance occurring under this Section 6(b) within the time period specified, despite a good faith effort to effect such cure, Providing Party shall allow Customer Party such additional time as reasonably required to effect such cure without termination of this Agreement or the applicable Service or SOW, but in no event shall such additional time exceed 90 days unless otherwise agreed by the parties.

(c) *Termination for Convenience.* Any Service or SOW may be terminated in whole or in part by the Customer Party on not less than 90 days' written notice of such termination to the Providing Party in the event the Customer Party and the members of its Group discontinue the line of business receiving such Services. In the event the Customer Party terminates such Service or SOW in accordance with this Section 6(c) unless otherwise set forth herein or in the applicable SOW, such party shall be responsible for payment of any costs and expenses of the Providing Party that are directly related to or resulting from the early termination of such Service or SOW, including, but not limited to, (i) costs and expenses relating to the re-employment or termination of a Providing Party's employee who had been previously engaged in providing the Services governed by the terminated Service or SOW, (ii) costs and expenses relating to existing contracts with third parties that had been entered into by the Providing Party or any member of its Group solely for the provision of Services under such terminated Service or SOW and (iii) costs and expenses relating to facilities, hardware and equipment (including depreciation) used solely for the purpose of providing such Service or SOW.

(d) *Wind-Down Period.* During the period that is six (6) months prior to the date of termination of this Agreement, the Providing Party shall have no obligation to (i) expand the scope of its Services under this Agreement or any SOW, (ii) perform any new or additional Services under this Agreement or any SOW, or (iii) invest in hardware, software or equipment for performance against a Service or SOW.

(e) *Post-Termination Services.* Upon termination of this Agreement, any SOW or any Services, for any reason whatsoever, the Customer Party or any member of its Group may elect to purchase post-termination services from the Providing Party for a period of 270 days from the date on which this Agreement terminates on the current terms hereunder or in place under the applicable SOW(s).

(f) *Effects of Termination.*

(1) Upon the early termination of any Service pursuant to this Section 6 or upon the expiration of the applicable Service Period, following the effective time of the termination, the Providing Party shall no longer be obligated to provide such Service; provided that the Customer Party shall be obligated to reimburse the Providing Party for any reasonable out-of-pocket expenses or costs attributable to such termination unless otherwise provided herein or in the applicable SOW(s).

(2) No termination, cancelation or expiration of this Agreement shall prejudice the right of either party hereto to recover any payment due at the time of termination, cancelation or expiration (or any payment accruing as a result thereof), nor shall it prejudice any



cause of action or claim of either party hereto accrued or to accrue by reason of any breach or default by the other party hereto.

(3) Notwithstanding any provision herein to the contrary, Sections 4, 9 and 12 through 22 of this Agreement shall survive the termination of this Agreement.

7. Change Order Procedures; Temporary Emergency Changes.

(a) The parties hereto may change the nature and scope of Services provided hereunder or under any SOW by mutual agreement. The party seeking the change shall submit a request containing: (i) the identity of the party requesting such change; (ii) the reason(s) for the change; (iii) a description of the requested change; and (iv) a timetable for the implementation of the change. The non-requesting Party shall have 30 Business Days to consider the suggested change and either approve or decline such change. For the avoidance of doubt, no change to any Service or SOW will become part of the Performance Standard for such Service or SOW without the Providing Party's prior approval.

(b) The parties hereto agree to cooperate in good faith to determine and implement additional procedures for change orders as needed.

(c) Notwithstanding the foregoing, in the event the Providing Party is unable to contact the Customer Group's designated contact for a specific Service or SOW after reasonable effort, the Providing Party may make temporary changes to any SOW or Services, which the Providing Party shall document and report to the Customer Party the next Business Day. Such changes shall become permanent only if the Providing Party subsequently follows the procedures in Section 7(a) hereof for permanent change order procedures. The Customer Party shall not be obligated to pay for any changed Services performed without its prior approval.

(d) The Customer Party may, in an emergency, request additional Services to be performed as promptly as practicable, and the Providing Party shall use its reasonable best efforts to perform such Services as promptly as practicable. While the Providing Party will continue to provide services in line with the request from the Customer Party, in the event that the Providing Party plans to incur materially additional costs in providing this service, the Providing Party may submit a financial proposal to make the Providing Party financially whole. In such a case, the Customer Party and Providing Party may agree for the one-time increase in payment for the emergency. Such emergency request shall last no longer than 30 Business Days, and the Providing Party shall have no obligation to continue performing such Services unless the Customer Party follows the procedures in Section 7(a) hereof for permanent change order procedures.

8. Right of First Opportunity.

(a) If the Customer Party or any member of its Group elects to receive any Additional Service (as defined below), it shall first request a proposal for the provision of such Additional Service from the Providing Party. The Providing Party shall have 30 Business Days (the "Exclusive Tender Period") to respond to such request for Additional Service and to provide a proposed SOW to the Customer Party. During the Exclusive Tender Period, the Customer Party shall not solicit proposals or negotiate with any other third party with respect to such

request for Additional Service. Upon receipt of the Providing Party's proposal for the Additional Service, the Customer Party shall consider such proposal and shall negotiate with the Providing Party in good faith with respect to the possible provision by the Providing Party of such Additional Services.

(b) If, at the end of the Exclusive Tender Period, the Providing Party and the Customer Party do not agree on the proposed SOW, the Customer Party may solicit proposals from third parties with respect to the Additional Service; provided, however, that the Customer Party shall not disclose any information received from the Providing Party, whether verbal or written, in the proposed SOW or during the Exclusive Tender Period negotiations, and such information shall be subject to the terms of Section 12 (Confidentiality) hereof.

(c) Alternatively to the procedures set forth in Sections 8(a) and 8(b), Customer Party may solicit proposals or negotiate with third parties with respect to an Additional Service (such third parties, "Third Party Additional Service Providers") during the Exclusive Tender Period so long as:

(1) at least fifteen Business Days prior to engaging any Third Party Additional Service Provider, Customer Party shall disclose to Providing Party a description of the Additional Services to be provided by such Third Party Additional Service Provider and all fees, costs and other expenses to be charged by such Third Party Additional Service Provider (such description, a "Third Party Additional Service Offer"),

(2) within ten Business Days of receipt of any Third Party Additional Service Offer, Providing Party shall have the right to make an offer (a "Matching Offer") to provide the same or substantially the same Additional Services as set forth in the Third Party Additional Service Offer, and

(3) if the fees set forth in the Matching Offer do not exceed the fees set forth in the Third Party Additional Services Offer, Customer Party may not accept the Third Party Additional Services Offer. Conversely, if the fees set forth in the Matching Offer exceed the fees set forth in the Third Party Additional Services Offer, Customer Party may accept the Third Party Additional Services Offer.

(d) For purposes of this Agreement, "Additional Service" means: a service that (i) is reasonably similar to the Services provided hereunder or under any SOW, (ii) reasonably could be performed in facilities located in India, the United States, Canada, Uruguay or other facilities similar to the Providing Party's facilities in these locations; (iii) reasonably would be expected to involve a purchase volume greater than \$100,000 on an annual basis; and (iv) is not an Applicable Service.

(e) For the avoidance of doubt, the Providing Party shall not be restricted from providing services to a third party that are similar or identical to the Services.

#### 9. Miscellaneous.

(a) This Agreement may be executed in one or more counterparts, including by facsimile, all of which shall be considered one and the same agreement, and shall become

effective when one or more counterparts have been signed by each party hereto or thereto and delivered to the other parties hereto or thereto.

(b) This Agreement, the schedules hereto, the Technology Products Letter and any Fee Letter, contain the entire agreement between the parties with respect to the subject matter hereof, supersede all previous agreements, negotiations, discussions, writings, understandings, commitments and conversations with respect to such subject matter and there are no agreements or understandings between the parties with respect to the subject matter hereof other than those set forth or referred to herein or therein.

(c) OCWEN represents on behalf of itself and each other member of the OCWEN Group, and ALTISOURCE represents on behalf of itself and each other member of the ALTISOURCE Group, as follows:

(1) each such Person has the requisite corporate or other power and authority and has taken all corporate or other action necessary in order to execute, deliver and perform this Agreement and to consummate the transactions contemplated hereby; and

(2) this Agreement has been duly executed and delivered by it and constitutes, or will constitute, a valid and binding agreement of it enforceable in accordance with the terms hereof.

(d) This Agreement shall be governed by and construed and interpreted in accordance with the internal laws of the State of New York applicable to contracts made and to be performed wholly in such State and irrespective of the choice of law principles of the State of New York, as to all matters.

(e) Except for the indemnification rights under this Agreement (a) the provisions of this Agreement are solely for the benefit of the parties hereto and are not intended to confer upon any Person except the parties hereto any rights or remedies hereunder and (b) there are no third party beneficiaries of this Agreement, and this Agreement shall not provide any third person with any remedy, claim, liability, reimbursement, cause of action or other right in excess of those existing without reference to this Agreement.

(f) All notices or other communications under this Agreement shall be in writing and shall be deemed to be duly given when (a) delivered in person, (b) sent by telecopier (except that, if not sent during normal business hours for the recipient, then at the opening of business on the next business day for the recipient) to the fax numbers set forth below or (c) deposited in the United States mail or private express mail, postage prepaid, addressed as follows:

If to OCWEN, to:

Ocwen Financial Corporation  
1661 Worthington Road, Suite 100  
West Palm Beach, Florida 33409  
Attn: Corporate Secretary  
Fax No.: (561) 682-8177

If to ALTISOURCE to:

Altisource Solutions S.à r.l  
2-8 Avenue Charles De Gaulle  
L-1653 Luxembourg  
Attn: Corporate Secretary  
Fax No.: [                    ]

Either Party may, by notice to the other party, change the address to which such notices are to be given.

(g) If any provision of this Agreement or the application thereof to any Person or circumstance is determined by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions hereof, or the application of such provision to Persons or circumstances or in jurisdictions other than those as to which it has been held invalid or unenforceable, shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby, so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to either party. Upon any such determination, the parties shall negotiate in good faith in an effort to agree upon a suitable and equitable provision to effect the original intent of the parties.

(h) The article, section and paragraph headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

(i) Waiver by any Party hereto of any default by any other party hereto of any provision of this Agreement shall not be deemed a waiver by the waiving Party of any subsequent or other default.

(j) In the event of any actual or threatened default in, or breach of, any of the terms, conditions and provisions of this Agreement, the party or parties who are to be hereby aggrieved shall have the right to seek specific performance and injunctive or other equitable relief of its rights under this Agreement, in addition to any and all other rights and remedies at law or in equity, and all such rights and remedies shall be cumulative. The other party or parties shall not oppose the granting of such relief. The parties to this Agreement agree that the remedies at law for any breach or threatened breach hereof, including monetary damages, are inadequate compensation for any loss and that any defense in any action for specific performance that a remedy at law would be adequate is waived. Any requirements for the securing or posting of any bond with such remedy are waived.

(k) No provisions of this Agreement shall be deemed waived, amended, supplemented or modified by any Party hereto, unless such waiver, amendment, supplement or modification is in writing and signed by the authorized representative of the party against whom it is sought to enforce such waiver, amendment, supplement or modification.

(l) Words in the singular shall be held to include the plural and vice versa and words of one gender shall be held to include the other genders as the context requires. The terms “hereof,” “herein,” “and “herewith” and words of similar import, unless otherwise stated, shall be construed to refer to this Agreement as a whole (including all of the schedules hereto) and not to any particular provision of this Agreement. Article, Section, Exhibit, Schedule and Appendix references are to the articles, sections, exhibits, schedules and appendices of or to this Agreement unless otherwise specified. Any reference herein to this Agreement, unless otherwise stated, shall be construed to refer to this Agreement as amended, supplemented or otherwise modified from time to time, as permitted by Section 9(k). The word “including” and words of similar import when used in this Agreement shall mean “including, without limitation,” unless the context otherwise requires or unless otherwise specified. The word “or” shall not be exclusive. There shall be no presumption of interpreting this Agreement or any provision hereof against the draftsman of this Agreement or any such provision.

(m) Any action or proceeding arising out of or relating to this Agreement shall be brought in the courts of the State of New York located in the County of New York or in the United States District Court for the Southern District of New York (if any Party to such action or proceeding has or can acquire jurisdiction), and each of the parties hereto irrevocably submits to the exclusive jurisdiction of each such court in any such action or proceeding, waives any objection it may now or hereafter have to venue or to convenience of forum, agrees that all claims in respect of the action or proceeding shall be heard and determined only in any such court and agrees not to bring any action or proceeding arising out of or relating to this Agreement in any other court. The parties to this Agreement agree that any of them may file a copy of this paragraph with any court as written evidence of the knowing, voluntary and bargained agreement between the parties hereto and thereto irrevocably to waive any objections to venue or to convenience of forum. Process in any action or proceeding referred to in the first sentence of this Section 9(m) may be served on any Party to this Agreement anywhere in the world.

10. Intellectual Property. The Providing Party or a member of its Group shall retain all rights to all technology and intellectual property owned or licensed by the Providing Party or a member of its Group prior to the provision of Services hereunder or developed by the Providing Party and any member of its Group during the course of and in association with the provision of Services under this Agreement by the Providing Party and any member of its Group, including all derivative works. The Customer Party and any member of its Group shall retain all rights to all intellectual property owned or licensed by the Customer Party or a member of its Group prior to the provision of Services hereunder or developed by the Customer Party or a member of its Group during the course of and in association with the provision of Services by the Providing Party under this Agreement including all derivative works. To the extent any technology or intellectual property is jointly developed by the Providing Party or a member of its Group on the one hand and the Customer Party or a member of its Group on the other, it shall be deemed OCWEN IP, if it relates to the OCWEN Business, or ALTISOURCE Licensed

Intellectual Property, if it relates to the ALTISOURCE Business, as these terms are defined in the Intellectual Property Agreement. Any intellectual property not already part of the ALTISOURCE IP, the ALTISOURCE Licensed Intellectual Property, or the OCWEN IP, as those terms are defined in the Intellectual Property Agreement, shall become ALTISOURCE Licensed Intellectual Property, if owned by ALTISOURCE, or OCWEN IP, if owned by OCWEN. All intellectual property that is involved in the provision of Services hereunder, therefore, shall be subject to the terms and conditions of the Intellectual Property Agreement.

11. Cooperation; Access.

(a) The Customer Party shall, and shall cause its Group to, permit the Providing Party and its employees and representatives access, on Business Days during hours that constitute regular business hours for the Customer Party and upon reasonable prior request, to the premises of the Customer Party and its Group and such data, books, records and personnel designated by the Customer Party and its Group as involved in receiving or overseeing the Services as the Providing Party may reasonably request for the purposes of providing the Services. The Providing Party shall provide the Customer Party, upon reasonable prior written notice, such documentation relating to the provision of the Services as the Customer Party may reasonably request for the purposes of confirming any Invoiced Amount pursuant to this Agreement. Any documentation so provided to the Providing Party pursuant to this Section will be subject to the confidentiality obligations set forth in Section 12 of this Agreement.

(b) Each party hereto shall designate a relationship manager (each, a "Relationship Executive") to report and discuss issues with respect to the provision of the Services and successor relationship executives in the event that a designated Relationship Executive is not available to perform such role hereunder. The initial Relationship Executive designated by OCWEN shall be Ronald M. Faris and the initial Relationship Executive designated by ALTISOURCE shall be William B. Shepro. Either party may replace its Relationship Executive at any time by providing written notice thereof to the other party hereto.

12. Confidentiality.

(a) Subject to Section 12(b), each of OCWEN and ALTISOURCE, on behalf of itself and each other member of its Group, agrees to hold, and to cause its directors, officers, employees, agents, accountants, counsel and other advisors and representatives to hold, in strict confidence, with at least the same degree of care that applies to confidential and proprietary information of OCWEN pursuant to policies in effect as of the Distribution Date, all Information concerning the other Group that is either in its possession (including Information in its possession prior to the Distribution Date) or furnished by the other Group or its directors, officers, employees, agents, accountants, counsel and other advisors and representatives at any time pursuant to this Agreement, and shall not use any such Information other than for such purposes as shall be expressly permitted hereunder, except to the extent that such Information has been (i) in the public domain through no fault of such party or any other member of such Group or any of their respective directors, officers, employees, agents, accountants, counsel and other advisors and representatives, (ii) later lawfully acquired from other sources by such party (or any other member of such party's Group), which sources are not known by such party to be

themselves bound by a confidentiality obligation, or (iii) independently generated without reference to any proprietary or confidential Information of any member of the other Group.

(b) Each party agrees not to release or disclose, or permit to be released or disclosed, any such Information (excluding Information described in clauses (i), (ii) and (iii) of Section 12(a)) to any other Person, except its directors, officers, employees, agents, accountants, counsel and other advisors and representatives who need to know such Information (who shall be advised of their obligations hereunder with respect to such Information), except in compliance with Section 12(c). Without limiting the foregoing, when any Information is no longer needed for the purposes contemplated by this Agreement, each party will promptly, after request of the other party, either return the Information to the other party in a tangible form (including all copies thereof and all notes, extracts or summaries based thereon) or certify to the other party that any Information not returned in a tangible form (including any such Information that exists in an electronic form) has been destroyed (and such copies thereof and such notes, extracts or summaries based thereon).

(c) In the event that either party or any other member of its Group either determines on the advice of its counsel that it is required to disclose any Information pursuant to applicable law or receives any demand under lawful process or from any Governmental Authority to disclose or provide Information of the other party (or any other member of the other party's Group) that is subject to the confidentiality provisions hereof, such party shall, to the extent permitted by law, notify the other party prior to disclosing or providing such Information and shall cooperate, at the expense of the requesting Party, in seeking any reasonable protective arrangements requested by such other party. Subject to the foregoing, the Person that received such request may thereafter disclose or provide Information to the extent required by such law (as so advised by counsel) or by lawful process or such Governmental Authority.

13. Dispute Resolution.

(a) It is the intent of the parties to use reasonable best efforts to resolve expeditiously any dispute, controversy or claim between or among them with respect to the matters covered hereby that may arise from time to time on a mutually acceptable negotiated basis. In furtherance of the foregoing, a Party involved in a dispute, controversy or claim may deliver a notice (an "Escalation Notice") demanding an in-person meeting involving representatives of the parties at a senior level of management (or if the parties agree, of the appropriate strategic business unit or division within such entity). A copy of any such Escalation Notice shall be given to the General Counsel, or like officer or official, of the party involved in the dispute, controversy or claim (which copy shall state that it is an Escalation Notice pursuant to this Agreement). Any agenda, location or procedures for such discussions or negotiations between the parties may be established by the parties from time to time; provided, however, that the parties shall use reasonable best efforts to meet within 30 days of the Escalation Notice.

14. Warranties; Limitation of Liability; Indemnity.

(a) Other than the statements expressly made by the Providing Party in this Agreement or in any SOW, the Providing Party makes no representation or warranty, express or implied, with respect to the Services and, except as provided in Section 14(b) hereof, the

Customer Party hereby waives, releases and renounces all other representations, warranties, obligations and liabilities of the Providing Party, and any other rights, claims and remedies of the Customer Party against the Providing Party, express or implied, arising by law or otherwise, with respect to any nonconformance, error, durability, omission or defect in any of the Services, including (i) any implied warranty of merchantability, fitness for a particular purpose or non-infringement, (ii) any implied warranty arising from course of performance, course of dealing or usage of trade and (iii) any obligation, liability, right, claim or remedy in tort, whether or not arising from the negligence of the Providing Party.

(b) None of the Providing Party or any of its Affiliates or any of its or their respective officers, directors, employees, agents, attorneys-in-fact, contractors or other representatives shall be liable for any action taken or omitted to be taken by the Providing Party or such person under or in connection with this Agreement, except that the Providing Party shall be liable for direct damages or losses incurred by the Customer Party or the Customer Party's Group arising out of the gross negligence or willful misconduct of the Providing Party or any of its Affiliates or any of its or their respective officers, directors, employees, agents, attorneys-in-fact, contractors or other representatives in the performance or nonperformance of the Services or Ancillary Services.

(c) In no event shall (i) the amount of damages or losses for which the Providing Party and the Customer Party may be liable under this Agreement exceed the fees due to the Providing Party for the most recent 6 month period under the applicable Service or SOW(s), provided that if Services have been performed for less than 6 months, then the damages or losses will be limited to the value of the actual Services performed during such period; or (ii) the aggregate amount of all such damages or losses for which the Providing Party may be liable under this Agreement exceed \$1,000,000; provided, that, no such cap shall apply to liability for damages or losses arising from or relating to breaches of Section 12 (relating to confidentiality), infringement of Intellectual Property or fraud or criminal acts. Except as provided in Section 14(b) hereof, none of the Providing Party or any of its Affiliates or any of its or their respective officers, directors, employees, agents, attorneys-in-fact, contractors or other representatives shall be liable for any action taken or omitted to be taken by, or the negligence, gross negligence or willful misconduct of, any third party.

(d) Notwithstanding anything to the contrary herein, none of the Providing Party or any of its Affiliates or any of its or their respective officers, directors, employees, agents, attorneys-in-fact, contractors or other representatives shall be liable for damages or losses incurred by the Customer Party or any of the Customer Party's Affiliates for any action taken or omitted to be taken by the Providing Party or such other person under or in connection with this Agreement to the extent such action or omission arises from actions taken or omitted to be taken by, or the negligence, gross negligence or willful misconduct of, the Customer Party or any of the Customer Party's Affiliates.

(e) Without limiting Section 14(b) hereof, no Party hereto or any of its Affiliates or any of its or their respective officers, directors, employees, agents, attorneys-in-fact, contractors or other representatives shall in any event have any obligation or liability to the other party hereto or any such other person whether arising in contract (including warranty), tort (including active, passive or imputed negligence) or otherwise for consequential, incidental,



indirect, special or punitive damages, whether foreseeable or not, arising out of the performance of the Services or this Agreement, including any loss of revenue or profits, even if a Party hereto has been notified about the possibility of such damages; provided, however, that the provisions of this Section 14(e) shall not limit the indemnification obligations hereunder of either party hereto with respect to any liability that the other party hereto may have to any third party not affiliated with any member of the Providing Party's Group or the Customer Party's Group for any incidental, consequential, indirect, special or punitive damages.

(f) The Customer Party shall indemnify and hold the Providing Party and its Affiliates and any of its or their respective officers, directors, employees, agents, attorneys-in-fact, contractors or other representatives harmless from and against any and all damages, claims or losses that the Providing Party or any such other person may at any time suffer or incur, or become subject to, as a result of or in connection with this Agreement or the Services provided hereunder, except those damages, claims or losses incurred by the Providing Party or such other person arising out of the gross negligence or willful misconduct by the Providing Party or such other person.

15. Additional Agreements. The Providing Party shall:

(a) maintain data backup and document storage and retrieval systems adequate for the provision of the Services;

(b) maintain a business continuity plan adequate for the provision of the Services and shall provide a copy of such plan upon the Customer Party's request;

(c) provide the Services under this Agreement and any SOW in compliance with (i) all obligations and applicable laws, including, but not limited to, privacy and data protection laws, labor and overtime laws, tax laws, the U.S. Foreign Corrupt Practices Act and environmental protection laws and (ii) all requirements from any Governmental Authority to maintain necessary licenses and permits;

16. Taxes. Unless otherwise provided herein or in an applicable SOW, each party hereto shall be responsible for the cost of any sales, use, privilege and other transfer or similar taxes imposed upon that Party as a result of the transactions contemplated hereby. Any amounts payable under this Agreement are exclusive of any goods and services taxes, value added taxes, sales taxes or similar taxes ("Sales Taxes") now or hereinafter imposed on the performance or delivery of Services, and an amount equal to such taxes so chargeable shall, subject to receipt of a valid receipt or invoice as required below in this Section 16, be paid by the Customer Party to the Providing Party in addition to the amounts otherwise payable under this Agreement. In each case where an amount in respect of Sales Tax is payable by the Customer Party in respect of a Service provided by the Providing Party, the Providing Party shall furnish in a timely manner a valid Sales Tax receipt or invoice to the Customer Party in the form and manner required by applicable law to allow the Customer Party to recover such tax to the extent allowable under such law.

17. Public Announcements. No Party to this Agreement shall make, or cause to be made, any press release or public announcement or otherwise communicate with any news

media in respect of this Agreement or the transactions contemplated by this Agreement without the prior written consent of the other party hereto unless otherwise required by law, in which case the party making the press release, public announcement or communication shall give the other party reasonable opportunity to review and comment on such and the parties shall cooperate as to the timing and contents of any such press release, public announcement or communication.

18. Assignment. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and permitted assigns. No Party hereto may assign either this Agreement or any of its rights, interests or obligations hereunder without the prior written approval of the other party hereto; provided, however, that either party may assign this Agreement without the consent of the other party to any third party that acquires, by any means, including by merger or consolidation, all or substantially all the consolidated assets of such party. Any purported assignment in violation of this Section 18 shall be void and shall constitute a material breach of this Agreement.

19. Relationship of the Parties. The parties hereto are independent contractors and none of the parties hereto is an employee, partner or joint venturer of the other. Under no circumstances shall any of the employees of a Party hereto be deemed to be employees of the other party hereto for any purpose. Except as expressly provided herein, none of the parties hereto shall have the right to bind the others to any agreement with a third party or to represent itself as a partner or joint venturer of the other by reason of this Agreement.

20. Force Majeure. Neither party hereto shall be in default of this Agreement by reason of its delay in the performance of, or failure to perform, any of its obligations hereunder if such delay or failure is caused by strikes, acts of God, acts of the public enemy, acts of terrorism, riots or other events that arise from circumstances beyond the reasonable control of that Party (each, a "Force Majeure Event"). During the pendency of such Force Majeure Event, each of the parties hereto shall take all reasonable steps to fulfill its obligations hereunder by other means and, in any event, shall upon termination of such intervening event, promptly resume its obligations under this Agreement.

21. Non-Solicitation. The Customer Party acknowledges that the value to the Providing Party of its business and the transactions contemplated by this Agreement would be substantially diminished if such Customer Party or any of its Affiliates were to solicit the employment of or hire any employee of the Providing Party or any member of its Group performing Services or who has performed Services hereunder. Accordingly, the Customer Party agrees that neither it nor any of its Affiliates shall, directly or indirectly and without the prior consent of the other party, solicit the employment of, or hire, employ or retain, or otherwise encourage or cause to leave employment with the Providing Party, or cause any other Person to hire, employ or retain, or otherwise encourage or cause to leave employment with the Providing Party or any of its Affiliates, any Person who is or was employed by the Providing Party or any of its Affiliates with respect to the provision of Services at any time within twelve (12) months preceding the time of such solicitation or hiring, employment, retention or encouragement.

22. Waiver of Jury Trial. EACH PARTY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY, WAIVES (TO THE EXTENT PERMITTED BY APPLICABLE

LAW) ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY OF ANY DISPUTE ARISING UNDER OR RELATING TO THIS AGREEMENT AND AGREES THAT ANY SUCH DISPUTE SHALL BE TRIED BEFORE A JUDGE SITTING WITHOUT A JURY.

\* \* \* \* \*

IN WITNESS WHEREOF, the parties have caused this Technology Products Services Agreement to be executed as of the date first written above by their duly authorized representatives.

**OCWEN FINANCIAL CORPORATION**

By \_\_\_\_\_  
Name:  
Title:

**ALTISOURCE SOLUTIONS S.À R.L.**

By \_\_\_\_\_  
Name:  
Title:

---

**SCHEDULE I**

**SERVICES**

<u>Service</u>	<u>Service Period (months)</u>
<u>SERVICE</u>	96
Residential Loan Servicing System	
<u>SERVICE</u>	96
Commercial Loan Servicing System	
<u>Contact Center Suite</u>	96
<u>Imaging System</u>	96

---

<u>Service</u>	<u>Service Period (months)</u>
<u>Site Suite</u>	96
<u>Commercial-Off-the-Shelf (COTS) Applications</u>	96
<u>Development Services</u>	96

**DATA CENTER AND DISASTER RECOVERY SERVICES AGREEMENT**, dated as of [ ], 2009 (this "Agreement"), between ALTISOURCE SOLUTIONS S.à r.l., a private limited liability company organized under the laws of the Grand Duchy of Luxembourg (together with its Affiliates "Provider") and OCWEN FINANCIAL CORPORATION, a Florida corporation (together with its Affiliates "Customer").

**WHEREAS**, Customer and Altisource Portfolio Solutions S.A. (formerly known as Altisource Portfolio Solutions S.à r.l., formerly known as Ocwen Luxembourg S.à r.l.), the sole parent of Provider ("ALTISOURCE Parent"), are parties to a Separation Agreement dated as of [ ], 2009 (the "Separation Agreement"), pursuant to which Customer will (i) separate the ALTISOURCE Business (as defined in the Separation Agreement) and (ii) distribute (the "Separation") to the holders of shares of Customer's outstanding capital stock all of the outstanding capital stock of ALTISOURCE Parent;

**WHEREAS**, following the Separation, Provider will operate the ALTISOURCE Business, and Customer will operate the OCWEN Business (as defined in the Separation Agreement); and

**WHEREAS**, following the Separation, Customer desires to receive, and Provider is willing to provide, or cause to be provided, certain data center and disaster recovery services in connection with Customer's Business, in each case subject to the terms and conditions of this Agreement.

**NOW, THEREFORE**, in consideration of the mutual agreements, provisions and covenants contained in this Agreement, the parties agree as follows:

## 1. DEFINITIONS

"Affiliate" means with respect to any Person (a "Principal") (a) any directly or indirectly wholly-owned subsidiary of such Principal, (b) any Person that directly or indirectly owns 100% of the voting stock of such Principal or (c) a Person that controls, is controlled by or is under common control with such Principal. As used herein, "control" of any entity means the possession, directly or indirectly, through one or more intermediaries, of the power to direct or cause the direction of the management or policies of such entity, whether through ownership of voting securities or other interests, by contract or otherwise. Furthermore, with respect to any Person that is partially owned by such Principal and does not otherwise constitute an Affiliate (a "Partially-Owned Person"), such Partially-Owned Person shall be considered an Affiliate of such Principal for purposes of this Agreement if such Principal can, after making a good faith effort to do so, legally bind such Partially-Owned Person to this Agreement.

## 2. SERVICES

2.1 Services. During the term of this Agreement, Provider shall provide to Customer the services set forth on Exhibit A (the "Services") on the terms and conditions set forth in this Agreement.

---

2.2 Additional Services. Customer may request, and Provider may provide, additional services ("Additional Services") upon terms and rates that shall be mutually agreed to in writing between the parties in an addendum ("Addendum") to this Agreement. Each Addendum shall be appended to this Agreement and incorporated into this Agreement by this reference.

2.3 Right of First Opportunity.

- (a) If the Customer elects to receive any Additional Service, it shall first request a proposal for the provision of such Additional Service from the Provider. The Provider shall have 30 Business Days (the "Exclusive Tender Period") to respond to such request for Additional Service and to provide a proposed addendum to the Customer. During the Exclusive Tender Period, the Customer shall not solicit proposals or negotiate with any other third party with respect to such request for Additional Service. Upon receipt of the Provider's proposal for the Additional Service, the Customer shall consider such proposal and shall negotiate with the Provider in good faith with respect to the possible provision by the Provider of such Additional Services.
- (b) If, at the end of the Exclusive Tender Period, the Provider and the Customer do not agree on the proposed Addendum, the Customer may solicit proposals from third parties with respect to the Additional Service; provided, however, that the Customer shall not disclose any information received from the Provider, whether verbal or written, in the proposed Addendum or during the Exclusive Tender Period negotiations, and such information shall be subject to the confidentiality terms hereof.

2.4 Alternatively to the procedures set forth in Section 2.3, Customer may solicit proposals or negotiate with third parties with respect to an Additional Service (such third parties, "Third Party Additional Service Providers") during the Exclusive Tender Period so long as:

- (a) at least fifteen Business Days prior to engaging any Third Party Additional Service Provider, Customer shall disclose to Provider a description of the Additional Services to be provided by such Third Party Additional Service Provider and all fees, costs and other expenses to be charged by such Third Party Additional Service Provider (such description, a "Third Party Additional Service Offer");
  - (b) within ten Business Days of receipt of any Third Party Additional Service Offer, Provider shall have the right to make an offer (a "Matching Offer") to provide the same or substantially the same Additional Services as set forth in the Third Party Additional Service Offer; and
  - (c) if the fees set forth in the Matching Offer do not exceed the fees set forth in the Third Party Additional Services Offer, Customer may not accept the Third Party Additional Services Offer. Conversely, if the fees set forth in the Matching Offer
-



exceed the fees set forth in the Third Party Additional Services Offer, Customer may accept the Third Party Additional Services Offer.

2.5 Status Report. Provider shall provide Customer with status reports as mutually agreed to by the parties which shall detail the status of the Services.

### 3. RESPONSIBILITIES OF CUSTOMER

Customer shall assist Provider by promptly providing such information and access to Customer's facilities, computer networks and other systems as Provider may reasonably request to enable Provider to timely perform its obligations. Customer shall provide a sufficient number of its personnel to assist Provider in completing the Services in a timely manner to the extent Provider may reasonably request from time to time.

### 4. FEES

4.1 Fees. Customer shall pay Provider for the Services and Additional Services at the rates set forth in a separate fee letter to be delivered by Provider to Customer dated (i) as of the date hereof, with respect to the Services and (ii) as of the date of agreement to provide Additional Services, if any, with respect to Additional Services (collectively, the "Data Center and Disaster Recover Services Fee Letter"), as applicable (the "Fees").

4.2 Provider shall submit statements of account to the Customer on a monthly basis with respect to all amounts payable by the Provider to the Customer hereunder (the "Invoiced Amount"), setting out the Services provided, and the amount billed to the Customer as a result of providing such Services (together with, in arrears, any other invoices for Services provided by third parties, in each case setting out the Services provided by the applicable third parties). The Customer shall pay the Invoiced Amount to the Provider by wire transfer of immediately available funds to an account or accounts specified by the Provider, or in such other manner as specified by the Provider in writing, or otherwise reasonably agreed to by the Parties, within 30 days of the date of delivery to the Customer of the applicable statement of account; provided, that, in the event of any dispute as to an Invoiced Amount, the Customer shall pay the undisputed portion, if any, of such Invoiced Amount in accordance with the foregoing, and shall pay the remaining amount, if any, promptly upon resolution of such dispute.

4.3 Taxes. Customer shall be responsible for and shall pay or reimburse Provider for any sales, use, import, excise, value added or other taxes or levies (other than Provider's income taxes) associated with this Agreement.

### 5. TERM AND TERMINATION

#### 5.1 Term.

- (a) *Initial Term*. This Agreement shall commence on the Distribution Date (as defined in the Separation Agreement) and shall continue in full force and effect, subject to Section 5.1(b), until the date that is eight (8) years from the Distribution Date (the "Initial Term"), or the earlier date upon which this Agreement has been otherwise terminated in accordance with the terms hereof.

- (b) *Renewal Term.* This Agreement may be renewed for successive two (2) year terms (each, a "Renewal Term") by mutual written agreement of the parties hereto, executed not less than six (6) months prior to the expiration of the Initial Term or any Renewal Term, as applicable.
- (c) In the event either party decides that it does not wish to renew this Agreement or any particular Service or Additional Service hereunder upon the expiration of the Initial Term or any Renewal Term, as applicable, such party shall so notify the other party at least nine (9) months before the completion of the Initial Term or Renewal Term, as applicable.

5.2 Termination by Either Party.

- (a) If either Party materially defaults in the performance of any provision of this Agreement, and such default is not cured within thirty (30) days after receiving notice of such default from the non-defaulting Party, the non-defaulting Party shall be entitled to terminate this Agreement effective immediately upon delivery of final written notice to the defaulting Party.
- (b) If a Party (i) becomes insolvent, (ii) files a petition in bankruptcy or insolvency, is adjudicated bankrupt or insolvent or files any petition or answer seeking reorganization, readjustment or arrangement of its business under any law relating to bankruptcy or insolvency, or if a receiver, trustee or liquidator is appointed for any of the property of the Party and within 60 days thereof such Party fails to secure a dismissal thereof or (iii) makes any assignment for the benefit of creditors, then and in that event only, the Party that is not the subject of such proceedings may terminate this Agreement immediately upon written notice.

5.3 Consequences of Termination. Customer shall be liable for all Fees incurred prior to the date of termination and shall not be entitled to a refund of any Fees paid prior to the date of termination. Furthermore, in the event either party terminates this Agreement in accordance with Section 5.2 and, prior to such termination, Provider has entered into one or more leases or third party contracts for purposes of providing the Services to Customer (such leases and contracts, the "Designated Contracts"), Customer shall also be liable for (a) unamortized lease costs associated with the Designated Contracts and (b) the Customer's pro rata share (as of the date of termination) of the present value (calculated by reference to the prime rate charged by JPMorgan Chase Bank, N.A. (or its successor)) of the remaining contractual payments due under such Designated Contracts. Provider shall have a duty to mitigate the costs referred to in clauses (a) and (b) above by making a good faith effort to sublease the Customer's allocated portion of the space leased pursuant to any Designated Contracts following any such termination and to otherwise mitigate any other third party contractual costs. In addition, in the event of termination, each party shall return or destroy all of the other party's Information (as defined below) in accordance with Section 6.2.

## 6. CONFIDENTIAL INFORMATION

6.1 Subject to [Section 6.2](#), each of Provider and Customer, on behalf of itself and each of its subsidiaries, agrees to hold, and to cause its directors, officers, employees, agents, accountants, counsel and other advisors and representatives to hold, in strict confidence, with at least the same degree of care that applies to confidential and proprietary information of Customer pursuant to policies in effect as of the Distribution Date (as defined in the Separation Agreement), all information, whether or not patentable or copyrightable, in written, oral, electronic or other tangible or intangible forms, stored in any medium, including studies, reports, records, books, contracts, instruments, surveys, discoveries, ideas, concepts, know-how, techniques, designs, specifications, drawings, blueprints, diagrams, models, prototypes, samples, flow charts, data, computer data, disks, diskettes, tapes, algorithms, computer programs or other software, marketing plans, customer names, communications by or to attorneys (including attorney-client privileged communications), memos and other materials prepared by attorneys or under their direction (including attorney work product), and other technical, financial, employee or business information or data ("[Information](#)") concerning the other party and its subsidiaries that is either in its possession (including Information in its possession prior to the Distribution Date) or furnished by the other party and its subsidiaries and affiliates or its directors, officers, employees, agents, accountants, counsel and other advisors and representatives at any time pursuant to this Agreement, and shall not use any such Information other than for such purposes as shall be expressly permitted hereunder, except to the extent that such Information has been (i) in the public domain through no fault of such party or any of its subsidiaries or any of their respective directors, officers, employees, agents, accountants, counsel and other advisors and representatives, (ii) later lawfully acquired from other sources by such party (or any of its subsidiaries), which sources are not known by such party to be themselves bound by a confidentiality obligation, or (iii) independently generated without reference to any proprietary or confidential Information of the other party or any of its subsidiaries.

6.2 Each party agrees not to release or disclose, or permit to be released or disclosed, any such Information (excluding Information described in clauses (i), (ii) and (iii) of [Section 6.1](#)) to any other individual, a general or limited partnership, a corporation, a trust, a joint venture, an unincorporated organization, a limited liability entity, any other entity and any Governmental Authority (as defined below) (each, a "[Person](#)"), except its directors, officers, employees, agents, accountants, counsel and other advisors and representatives who need to know such Information (who shall be advised of their obligations hereunder with respect to such Information), except in compliance with [Section 6.3](#). Without limiting the foregoing, when any Information is no longer needed for the purposes contemplated by this Agreement, each party will promptly, after request of the other party, either return the Information to the other party in a tangible form (including all copies thereof and all notes, extracts or summaries based thereon) or certify to the other party that any Information not returned in a tangible form (including any such Information that exists in an electronic form) has been destroyed (and such copies thereof and such notes, extracts or summaries based thereon).

6.3 In the event that either party or any of its subsidiaries either determines on the advice of its counsel that it is required to disclose any Information pursuant to applicable law or receives any demand under lawful process or from any federal, state, local, foreign or international court, government, department, commission, board, bureau, agency, official or

other legislative, judicial, regulatory, administrative or governmental authority, including the NASDAQ ("Governmental Authority") to disclose or provide Information of the other party (or any of its subsidiaries) that is subject to the confidentiality provisions hereof, such party shall, to the extent permitted by law, notify the other party prior to disclosing or providing such Information and shall cooperate, at the expense of the requesting party, in seeking any reasonable protective arrangements requested by such other party. Subject to the foregoing, the Person that received such request may thereafter disclose or provide Information to the extent required by such law (as so advised by counsel) or by lawful process or such Governmental Authority.

6.4 Customer Information. Notwithstanding anything in this Agreement, Provider shall not disclose to any third party any "Consumer" information (as defined in the Gramm-Leach-Bliley Act of 1999, P.L. 106-102) about a customer of Customer which is supplied to it by Customer, unless and only to the extent that such disclosure is approved, in writing, by Customer. To protect the privacy of information concerning Consumers, Provider agrees that it shall: (a) limit access to information concerning Consumers to Provider's employees who have a need to know, and then only to the extent that such disclosure is reasonably necessary for the performance of Provider's duties and obligations under this Agreement; (b) use information concerning Consumers solely to carry out the purposes of this Agreement for which the information was disclosed and for no other purposes; and (c) safeguard and maintain the confidentiality of the Consumer information and not directly or indirectly disclose the same to any other person or entity in violation of the Gramm-Leach-Bliley Act or any other applicable laws regarding privacy.

## **7. WARRANTIES; LIMITATION OF LIABILITY; INDEMNITY**

7.1 Other than the statements expressly made by Provider in this Agreement or in any Addendum, Provider makes no representation or warranty, express or implied, with respect to the Services or Additional Services and, except as provided in Section 7.2 hereof, Customer hereby waives, releases and renounces all other representations, warranties, obligations and liabilities of Provider, and any other rights, claims and remedies of Customer against Provider, express or implied, arising by law or otherwise, with respect to any nonconformance, durability, error, omission or defect in any of the Services or Additional Services, including (i) any implied warranty of merchantability, fitness for a particular purpose or non-infringement, (ii) any implied warranty arising from course of performance, course of dealing or usage of trade and (iii) any obligation, liability, right, claim or remedy in tort, whether or not arising from the negligence of Provider.

7.2 None of Provider or any of its Affiliates (as defined in the Separation Agreement) or any of its or their respective officers, directors, employees, agents, attorneys-in-fact, contractors or other representatives shall be liable for any action taken or omitted to be taken by Provider or such person under or in connection with this Agreement, except that Provider shall be liable for direct damages or losses incurred by Customer or any of Customer's subsidiaries or affiliates (either party's subsidiaries or affiliates, collectively referred to as such party's "Group") arising out of the gross negligence or willful misconduct of Provider or any of its Affiliates or any of its or their respective officers, directors, employees, agents, attorneys-in-fact, contractors or other representatives in the performance or nonperformance of the Services or Additional Services.

7.3 In no event shall (i) the amount of damages or losses for which Provider and Customer may be liable under this Agreement exceed the fees due to Provider for the most recent 6 month period under the applicable Service or Addendum, provided that if Services have been performed for less than 6 months, then the damages or losses will be limited to the value of the actual Services performed during such period; or (ii) the aggregate amount of all such damages or losses for which Provider may be liable under this Agreement exceed \$1,000,000; provided, that, no such cap shall apply to liability for damages or losses arising from or relating to breaches of Section 6 (relating to confidentiality), infringement of Intellectual Property (as defined in the Separation Agreement) or fraud or criminal acts. Except as provided in Section 7.2 hereof, none of Provider or any of its Affiliates or any of its or their respective officers, directors, employees, agents, attorneys-in-fact, contractors or other representatives shall be liable for any action taken or omitted to be taken by, or the negligence, gross negligence or willful misconduct of, any third party.

7.4 Notwithstanding anything to the contrary herein, none of Provider or any of its Affiliates or any of its or their respective officers, directors, employees, agents, attorneys-in-fact, contractors or other representatives shall be liable for damages or losses incurred by Customer or any of Customer's Affiliates for any action taken or omitted to be taken by Provider or such other person under or in connection with this Agreement to the extent such action or omission arises from actions taken or omitted to be taken by, or the negligence, gross negligence or willful misconduct of, Customer or any of Customer's Affiliates.

7.5 Without limiting Section 7.2 hereof, no party hereto or any of its Affiliates or any of its or their respective officers, directors, employees, agents, attorneys-in-fact, contractors or other representatives shall in any event have any obligation or liability to the other party hereto or any such other person whether arising in contract (including warranty), tort (including active, passive or imputed negligence) or otherwise for consequential, incidental, indirect, special or punitive damages, whether foreseeable or not, arising out of the performance of the Services or this Agreement, including any loss of revenue or profits, even if a party hereto has been notified about the possibility of such damages; provided, however, that the provisions of this Section 7.5 shall not limit the indemnification obligations hereunder of either party hereto with respect to any liability that the other party hereto may have to any third party not affiliated with any member of Provider's Group or Customer's Group for any incidental, consequential, indirect, special or punitive damages.

7.6 Customer shall indemnify and hold Provider and its Affiliates and any of its or their respective officers, directors, employees, agents, attorneys-in-fact, contractors or other representatives harmless from and against any and all damages, claims or losses that Provider or any such other person may at any time suffer or incur, or become subject to, as a result of or in connection with this Agreement or the Services or Additional Services provided hereunder, except those damages, claims or losses incurred by Provider or such other person arising out of the gross negligence or willful misconduct by Provider or such other person.

## **8. MISCELLANEOUS**

8.1 This Agreement may be executed in one or more counterparts, including by facsimile, all of which shall be considered one and the same agreement, and shall become

effective when one or more counterparts have been signed by each party hereto or thereto and delivered to the other parties hereto or thereto.

8.2 This Agreement, the schedules hereto and the Data Center and Disaster Recovery Services Fee Letter contain the entire agreement between the parties with respect to the subject matter hereof, supersede all previous agreements, negotiations, discussions, writings, understandings, commitments and conversations with respect to such subject matter and there are no agreements or understandings between the parties with respect to the subject matter hereof other than those set forth or referred to herein or therein.

8.3 Customer represents on behalf of itself and each other member of the Customer Group, and Provider represents on behalf of itself and each other member of the Provider Group, as follows:

- (a) each such Person has the requisite corporate or other power and authority and has taken all corporate or other action necessary in order to execute, deliver and perform this Agreement and to consummate the transactions contemplated hereby; and
- (b) this Agreement has been duly executed and delivered by it and constitutes, or will constitute, a valid and binding agreement of it enforceable in accordance with the terms hereof.

8.4 This Agreement shall be governed by and construed and interpreted in accordance with the internal laws of the State of New York applicable to contracts made and to be performed wholly in such State and irrespective of the choice of law principles of the State of New York, as to all matters.

8.5 Except for the indemnification rights under this Agreement (a) the provisions of this Agreement are solely for the benefit of the parties hereto and are not intended to confer upon any Person except the parties hereto any rights or remedies hereunder and (b) there are no third party beneficiaries of this Agreement, and this Agreement shall not provide any third person with any remedy, claim, liability, reimbursement, cause of action or other right in excess of those existing without reference to this Agreement.

8.6 All notices or other communications under this Agreement shall be in writing and shall be deemed to be duly given when (a) delivered in person, (b) sent by telecopier (except that, if not sent during normal business hours for the recipient, then at the opening of business on the next business day for the recipient) to the fax numbers set forth below or (c) deposited in the United States mail or private express mail, postage prepaid, addressed as follows:

If to Customer, to:

Ocwen Financial Corporation  
1661 Worthington Road, Suite 100  
West Palm Beach, Florida 33409  
Attn: Corporate Secretary  
Fax No.: (561) 682-8177

If to Provider to:

Altisource Solutions S.à r.l.  
2-8 Avenue Charles De Gaulle  
L-1653 Luxembourg  
Attn: Corporate Secretary  
Fax No.: [ ]

Either party may, by notice to the other party, change the address to which such notices are to be given.

8.7 If any provision of this Agreement or the application thereof to any Person or circumstance is determined by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions hereof, or the application of such provision to Persons or circumstances or in jurisdictions other than those as to which it has been held invalid or unenforceable, shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby, so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to either party. Upon any such determination, the parties shall negotiate in good faith in an effort to agree upon a suitable and equitable provision to effect the original intent of the parties.

8.8 The article, section and paragraph headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

8.9 Waiver by any party hereto of any default by any other party hereto of any provision of this Agreement shall not be deemed a waiver by the waiving party of any subsequent or other default.

8.10 In the event of any actual or threatened default in, or breach of, any of the terms, conditions and provisions of this Agreement, the party or parties who are to be hereby aggrieved shall have the right to seek specific performance and injunctive or other equitable relief of its rights under this Agreement, in addition to any and all other rights and remedies at law or in equity, and all such rights and remedies shall be cumulative. The other party or parties shall not oppose the granting of such relief. The parties to this Agreement agree that the remedies at law for any breach or threatened breach hereof, including monetary damages, are inadequate compensation for any loss and that any defense in any action for specific performance that a remedy at law would be adequate is waived. Any requirements for the securing or posting of any bond with such remedy are waived.

8.11 No provisions of this Agreement shall be deemed waived, amended, supplemented or modified by any party hereto, unless such waiver, amendment, supplement or modification is in writing and signed by the authorized representative of the party against whom it is sought to enforce such waiver, amendment, supplement or modification.

8.12 Words in the singular shall be held to include the plural and vice versa and words of one gender shall be held to include the other genders as the context requires. The terms "hereof," "herein," "and "herewith" and words of similar import, unless otherwise stated, shall be

construed to refer to this Agreement as a whole (including all of the schedules hereto) and not to any particular provision of this Agreement. Article, Section, Exhibit, Schedule and Appendix references are to the articles, sections, exhibits, schedules and appendices of or to this Agreement unless otherwise specified. Any reference herein to this Agreement, unless otherwise stated, shall be construed to refer to this Agreement as amended, supplemented or otherwise modified from time to time, as permitted by [Section 8.11](#). The word "including" and words of similar import when used in this Agreement shall mean "including, without limitation," unless the context otherwise requires or unless otherwise specified. The word "or" shall not be exclusive. There shall be no presumption of interpreting this Agreement or any provision hereof against the draftsman of this Agreement or any such provision.

8.13 Any action or proceeding arising out of or relating to this Agreement shall be brought in the courts of the State of New York located in the County of New York or in the United States District Court for the Southern District of New York (if any party to such action or proceeding has or can acquire jurisdiction), and each of the parties hereto irrevocably submits to the exclusive jurisdiction of each such court in any such action or proceeding, waives any objection it may now or hereafter have to venue or to convenience of forum, agrees that all claims in respect of the action or proceeding shall be heard and determined only in any such court and agrees not to bring any action or proceeding arising out of or relating to this Agreement in any other court. The parties to this Agreement agree that any of them may file a copy of this paragraph with any court as written evidence of the knowing, voluntary and bargained agreement between the parties hereto and thereto irrevocably to waive any objections to venue or to convenience of forum. Process in any action or proceeding referred to in the first sentence of this [Section 8.13](#) may be served on any party to this Agreement anywhere in the world.

## **9. INTELLECTUAL PROPERTY**

9.1 Customer's and Provider's respective rights to any present and future intellectual property is set forth in that certain Intellectual Property Agreement dated as of [\_\_\_\_], 2009 by and between Customer and Provider, as the same may be amended, restated, supplemented or otherwise modified from time to time in accordance with the terms thereof.

## **10. COOPERATION; ACCESS**

10.1 Customer shall, and shall cause its Group to, permit Provider and its employees and representatives access, on Business Days (as defined in the Separation Agreement) during hours that constitute regular business hours for Customer and upon reasonable prior request, to the premises of Customer and its Group and such data, books, records and personnel designated by Customer and its Group as involved in receiving or overseeing the Services as Provider may reasonably request for the purposes of providing the Services. Provider shall provide Customer, upon reasonable prior written notice, such documentation relating to the provision of the Services as Customer may reasonably request for the purposes of confirming any amounts payable pursuant to this Agreement. Any documentation so provided to Provider pursuant to this Section will be subject to the confidentiality obligations set forth in [Section 6](#) of this Agreement.



10.2 Each party hereto shall designate a relationship manager (each, a “Relationship Executive”) to report and discuss issues with respect to the provision of the Services and successor relationship executives in the event that a designated Relationship Executive is not available to perform such role hereunder. The initial Relationship Executive designated by Customer shall be Ronald M. Faris and the initial Relationship Executive designated by Provider shall be William B. Shepro. Either party may replace its Relationship Executive at any time by providing written notice thereof to the other party hereto.

#### **11. PUBLIC ANNOUNCEMENTS**

11.1 No party to this Agreement shall make, or cause to be made, any press release or public announcement or otherwise communicate with any news media in respect of this Agreement or the transactions contemplated by this Agreement without the prior written consent of the other party hereto unless otherwise required by law, in which case the party making the press release, public announcement or communication shall give the other party reasonable opportunity to review and comment on such and the parties shall cooperate as to the timing and contents of any such press release, public announcement or communication.

#### **12. RELATIONSHIP OF THE PARTIES**

12.1 The parties hereto are independent contractors and none of the parties hereto is an employee, partner or joint venturer of the other. Under no circumstances shall any of the employees of a party hereto be deemed to be employees of the other party hereto for any purpose. Except as expressly provided herein, none of the parties hereto shall have the right to bind the others to any agreement with a third party or to represent itself as a partner or joint venturer of the other by reason of this Agreement.

#### **13. FORCE MAJEURE**

13.1 Neither party hereto shall be in default of this Agreement by reason of its delay in the performance of, or failure to perform, any of its obligations hereunder if such delay or failure is caused by strikes, acts of God, acts of the public enemy, acts of terrorism, riots or other events that arise from circumstances beyond the reasonable control of that party (each, a “Force Majeure Event”). During the pendency of such Force Majeure Event, each of the parties hereto shall take all reasonable steps to fulfill its obligations hereunder by other means and, in any event, shall upon termination of such intervening event, promptly resume its obligations under this Agreement.

#### **14. NON-SOLICITATION**

14.1 Customer acknowledges that the value to Provider of its business and the transactions contemplated by this Agreement would be substantially diminished if such Customer or any of its Affiliates were to solicit the employment of or hire any employee of Provider or any member of its Group performing Services or who has performed Services hereunder. Accordingly, Customer agrees that neither it nor any of its Affiliates shall, directly or indirectly and without the prior consent of the other party, solicit the employment of, or hire, employ or retain, or otherwise encourage or cause to leave employment with Provider, or cause any other Person to hire, employ or retain, or otherwise encourage or cause to leave employment

with Provider or any of its Affiliates, any Person who is or was employed by Provider or any of its Affiliates with respect to the provision of Services at any time within twelve (12) months preceding the time of such solicitation or hiring, employment, retention or encouragement.

**15. WAIVER OF JURY TRIAL**

15.1 EACH PARTY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY, WAIVES (TO THE EXTENT PERMITTED BY APPLICABLE LAW) ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY OF ANY DISPUTE ARISING UNDER OR RELATING TO THIS AGREEMENT AND AGREES THAT ANY SUCH DISPUTE SHALL BE TRIED BEFORE A JUDGE SITTING WITHOUT A JURY.

\* \* \* \*

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first written above.

**PROVIDER:**

ALTISOURCE SOLUTIONS S.À. R.L.

By \_\_\_\_\_  
Name:  
Title:

**CUSTOMER:**

OCWEN FINANCIAL CORPORATION

By \_\_\_\_\_  
Name:  
Title:

Data Warehousing Agreement

**EXHIBIT A**  
**TO**  
**DATA CENTER AND DISASTER RECOVERY SERVICES AGREEMENT**

**Description of Services**

Provider shall, in accordance with such performance standards, rules and further instructions as Customer makes available to Provider from time to time, provide data center and disaster recovery services to Customer.

**Payment Terms**

Provider shall invoice Customer on a twice-monthly basis for the Fees for the Services and any Additional Services. Customer shall pay all sums due in U.S. Dollars within thirty (30) days following the date of receipt of any invoice. Customer shall pay a late charge of 2% per annum above the prime rate charged by JPMorgan Chase Bank, N.A. (or its successor) or the highest rate allowed by law, whichever is less, on all amounts not paid to Provider when due. In addition, Customer shall reimburse the Provider for all costs of collection of overdue amounts, including any reasonable attorneys' fees.

**Compliance with Law**

Each party acknowledges and agrees that it shall be solely liable for compliance with any local law, rule or regulation applicable to its business, operations, employees and otherwise, except CUSTOMER ACKNOWLEDGES AND AGREES THAT IT SHALL BE SOLELY LIABLE FOR ANY VIOLATION OF APPLICABLE LAW, RULE OR REGULATION CAUSED BY THE PROVIDER'S PERFORMANCE OF THE SERVICES IN COMPLIANCE WITH THE CUSTOMER'S INSTRUCTIONS

**EXHIBIT B**

**If to Customer:**

Ocwen Financial Corporation  
1661 Worthington Road, Suite 100  
West Palm Beach, FL 33409  
Attention: Corporate Secretary  
Telecopy Number: (561) 471-4264

**If to Provider:**

Altisource Solutions S.à r.l.  
2-8 Avenue Charles De Gaulle  
L-1653 Luxembourg  
Attention: Corporate Secretary  
Telecopy Number: [

]

## 2009 EQUITY INCENTIVE PLAN

## SECTION 1. PURPOSE

- 1.01 The purpose of the 2009 Equity Incentive Plan (the "Plan") is to assist Altisource Portfolio Solutions S.A. (the "Corporation") in attracting, retaining and motivating directors and employees of outstanding ability and to align their interests with those of the shareholders of the Corporation.

## SECTION 2. DEFINITIONS; CONSTRUCTION

- 2.01 **Definitions.** In addition to the terms defined elsewhere in the Plan, the following terms as used in the Plan shall have the following meanings when used with initial capital letters:
- 2.01.1 "*Award*" means any Option, Restricted Stock, Performance Award or Other Stock-Based Award, or any other right or interest relating to Shares granted under the Plan.
- 2.01.2 "*Award Agreement*" means any written agreement, contract or other instrument or document evidencing an Award.
- 2.01.3 "*Board*" means the Corporation's Board of Directors.
- 2.01.4 "*Code*" means the Internal Revenue Code of 1986, as amended from time to time, together with rules, regulations and interpretations promulgated thereunder. References to particular sections of the Code shall include any successor provisions.
- 2.01.5 "*Change of Control*" shall mean a change in control of a nature that would be required to be reported in response to Item 6(e) of Schedule 14A of Regulation 14A promulgated under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), whether or not the Corporation is then subject to such reporting requirement.
- 2.01.6 "*Committee*" means, (a) with respect to Participants who are employees and other service providers, the Compensation Committee or such other committee of the Board as may be designated by the Board to administer the Plan, as referred to in Section 3.01 hereof, consisting of at least three members of the Board; provided however, that any member of the Committee participating in the taking of any action under the Plan shall qualify as (1) an "outside director" as then defined under Section 162(m) of the Code or any successor provision, (2) a "non-employee director" as then defined under Rule 16b-3 or any successor rule and (3) an "independent" director under the rules of the NASDAQ Global Market, or (b) with respect to Participants who are non-employee directors, the Board.

- 2.01.7 “*Common Stock*” means shares of the common stock, par value \$1.00 per share, and such other securities of the Corporation or other corporation or entity as may be substituted for Shares pursuant to Section 8.01 hereof.
- 2.01.8 “*Covered Employee*” shall have the meaning provided in Section 162(m)(3) of the Code.
- 2.01.9 “*Exchange Act*” means the Securities Exchange Act of 1934, as amended.
- 2.01.10 “*Fair Market Value*” of shares of any stock, including but not limited to Common Stock, or units of any other securities (herein “shares”), shall be the mean between the highest and lowest sales prices per share for the date(s) as established by the Board as of which Fair Market Value is to be determined in the principal market in which such shares are traded, as quoted in *The Wall Street Journal* (or in such other reliable publication as the Committee, in its discretion, may determine to rely upon). If the Fair Market Value of shares on any date(s) cannot be determined on the basis set forth in the preceding sentence, or if a determination is required as to the Fair Market Value on any date of property other than shares, the Committee shall in good faith determine the Fair Market Value of such shares or other property on such date(s). Fair Market Value shall be determined without regard to any restriction other than a restriction which, by its terms, will never lapse.
- 2.01.11 “*Option*” means a right, granted under Section 6.02 hereof, to purchase Shares at a specified price during specified time periods.
- 2.01.12 “*Other Stock-Based Award*” means an Award, granted under Section 6.05 hereof, that is denominated or payable in, valued in whole or in part by reference to, or otherwise based on, or related to, Shares.
- 2.01.13 “*Participant*” means (a) an employee of the Corporation or any Subsidiary or affiliate, including, but not limited to, a Covered Employee, or (b) a member of the Board, who, in the case of either clause (a) or (b), is granted an Award under the Plan.
- 2.01.14 “*Performance Award*,” “*Performance Goal*” and “*Performance Period*” shall have the meanings provided in Section 6.04.
- 2.01.15 “*Restricted Stock*” means Shares, granted under Section 6.03 hereof, that are subject to certain restrictions.
- 2.01.16 “*Rule 16b-3*” means Rule 16b-3 under the Exchange Act, as amended from time to time, or any successor to such Rule promulgated by the Securities and Exchange Commission under Section 16 of the Exchange Act.

2.01.17 “*Shares*” means the common stock of the Corporation, par value \$1.00 per share, and such other securities of the Corporation as may be substituted for Shares pursuant to Section 8.01 hereof.

2.01.18 “*Subsidiary*” means any corporation in an unbroken chain of corporations beginning with the Corporation, if each of the corporations other than the last corporation in the chain owns stock possessing at least 50% of the total combined voting power of all classes of stock in one of the other corporations in the chain.

2.02 **Construction.** For purposes of the Plan, the following rules of construction shall apply:

2.02.1 The word “or” is disjunctive but not necessarily exclusive.

2.02.2 Words in the singular include the plural; words in the plural include the singular; words in the neuter gender include the masculine and feminine genders, and words in the masculine or feminine gender include the other and neuter genders.

### SECTION 3. ADMINISTRATION

3.01 The Plan shall be administered by the Committee. References hereinafter to the Committee shall mean the Compensation Committee of the Board (or other appointed committee) with respect to employee Participants. The Committee shall have complete, full and final authority to take the following actions, in each case subject to and consistent with the provisions of the Plan:

(i) to designate Participants;

(ii) to determine the type or types of Awards to be granted to each Participant;

(iii) to determine the number of Awards to be granted, the number of Shares or amount of cash or other property to which an Award will relate, the terms and conditions of any Award (including, but not limited to, any exercise price, grant price or purchase price, any limitation or restriction, any schedule for lapse of limitations, forfeiture restrictions or restrictions on exercisability or transferability, and accelerations or waivers thereof, including in the case of a Change of Control based in each case on such considerations as the Committee shall determine), and all other matters to be determined in connection with an Award;

(iv) to determine whether, to what extent and under what circumstances an Award may be settled in, or the exercise price of an Award may be paid in cash, Shares, other Awards or other property, or an Award may be accelerated, vested, canceled, forfeited, exchanged or surrendered;



- (v) to interpret and administer the Plan and any instrument or agreement relating to, or Award made under, the Plan;
- (vi) to prescribe the form of each Award Agreement, which need not be identical for each Participant;
- (vii) to adopt, amend, suspend, waive and rescind such rules and regulations as the Committee may deem necessary or advisable to administer the Plan;
- (viii) to correct any defect or supply any omission or reconcile any inconsistency, and to construe and interpret the Plan, the rules and regulations, any Award Agreement or other instrument entered into or Award made under the Plan;
- (ix) to make all other decisions and determinations as may be required under the terms of the Plan or as the Committee may deem necessary or advisable for the administration of the Plan; and
- (x) to make such filings and take such actions as may be required from time to time by appropriate state, regulatory and governmental agencies. Any action of the Committee with respect to the Plan shall be final, conclusive and binding on all Persons, including the Corporation, Subsidiaries, Participants and any Person claiming any rights under the Plan from or through any Participants. The express grant of any specific power to the Committee, and the taking of any action by the Committee, shall not be construed as limiting any power or authority of the Committee. The Committee may delegate to officers, managers and/or agents of the Corporation or any Subsidiary the authority, subject to such terms as the Committee shall determine, to perform administrative and other functions under the Plan. Each member of the Committee shall be entitled to, in good faith, rely or act upon any report or other information furnished to him by an officer, manager or other employee of the Corporation or a Subsidiary, the Corporation's independent certified public accountants, or any executive compensation consultant or other professional retained by the Corporation and/or Committee to assist in the administration of the Plan.

#### **SECTION 4. SHARES SUBJECT TO THE PLAN**

- 4.01 The maximum net number of Shares which may be issued and in respect of which Awards may be granted under the Plan shall be limited to 6,666,667 shares of Common Stock, subject to adjustment as provided in Section 8.01, which may be used for all forms of Awards. Each Share issued under the Plan pursuant to an Award other than an Option or other purchase right in which the Participant pays the Fair Market Value for such Share measured as of the grant date, or appreciation right which is based upon the Fair Market Value of a Share as of the grant date, shall reduce the number of available Shares by 1.00.

For purposes of this Section 4.01, the number of Shares to which an Award relates shall be counted against the number of Shares available under the Plan at the time of grant of the Award, unless such number of Shares cannot be determined at that time, in which case the number of Shares actually distributed pursuant to the Award shall be counted against the number of Shares available under the Plan at the time of distribution; provided, however, that Awards related to or retroactively added to, or granted in tandem with, substituted for or converted into, other Awards shall be counted or not counted against the number of Shares reserved and available under the Plan in accordance with procedures adopted by the Committee so as to ensure appropriate counting but avoid double counting.

If any Shares to which an Award relates are forfeited or the Award otherwise terminates without payment being made to the Participant in the form of Shares or if payment is made to the Participant in the form of cash, cash equivalents or other property other than Shares, any Shares counted against the number of Shares available under the Plan with respect to such Award shall, to the extent of any such forfeiture or termination or alternative payment, again be available for Awards under the Plan. If the exercise price of an Award is paid by delivering to the Corporation Shares previously owned by the Participant or if Shares are delivered or withheld for purposes of satisfying a tax withholding obligation, the number of Shares covered by the Award equal to the number of Shares so delivered or withheld shall, however, be counted against the number of Shares granted and shall not again be available for Awards under the Plan. Any Shares distributed pursuant to an Award may consist, in whole or part, of authorized and unissued Shares, including Shares repurchased by the Corporation for purposes of the Plan.

#### **SECTION 5. ELIGIBILITY**

5.01 Awards may be granted only to individuals who are employees of the Corporation or any Subsidiary or affiliate or to members of the Board.

#### **SECTION 6. SPECIFIC TERMS OF AWARDS**

6.01 **General.** Subject to the terms of the Plan and any applicable Award Agreement, Awards may be granted as set forth in this Section 6. In addition, the Committee may impose on any Award or the exercise thereof, at the date of grant or thereafter (subject to the terms of Section 9.01), such additional terms and conditions, not inconsistent with the provisions of the Plan, as the Committee shall determine, including separate escrow provisions and terms requiring forfeiture of Awards in the event of termination of employment or service by the Participant. Except as required by applicable law, Awards may be granted for no consideration other than prior and/or future services.

6.02 **Options.** The Committee is authorized to grant Options to Participants on the following terms and conditions:

- (i) *Exercise Price.* The criteria for determining the exercise price per Share of an Option shall be determined and such price shall be established by the Committee prior to each grant.
- (ii) *Option Term.* The term of each Option shall be determined by the Committee, except that no Option shall be exercisable after the expiration of ten years from the date of grant. The Option shall be evidenced by a form of written Award Agreement, and subject to the terms thereof.
- (iii) *Times and Methods of Exercise.* The Committee shall determine the time or times at which an Option may be exercised in whole or in part, the methods by which the exercise price may be paid or deemed to be paid, and the form of such payment, including, without limitation, cash, Shares, or other property or any combination thereof, having a Fair Market Value on the date of exercise equal to the exercise price, provided, however, that (1) in the case of a Participant who is at the time of exercise subject to Section 16 of the Exchange Act, any portion of the exercise price representing a fraction of a Share shall in any event be paid in cash or in property other than any equity security (as defined by the Exchange Act) of the Corporation and (2) except as otherwise determined by the Committee, in its discretion, at the time the Option is granted, no shares which have been held for less than six months may be delivered in payment of the exercise price of an Option. Delivery of Shares in payment of the exercise price of an Option, if authorized by the Committee, may be accomplished through the effective transfer to the Corporation of Shares held by a broker or other agent.  
  
Unless otherwise determined by the Committee, the Corporation will also cooperate with any person exercising an Option who participates in a cashless exercise program of a broker or other agent under which all or part of the Shares received upon exercise of the Option are sold through the broker or other agent, for the purpose of paying the exercise price of an Option. Notwithstanding the preceding sentence, unless the Committee, in its discretion, shall otherwise determine, the exercise of the Option shall not be deemed to occur, and no Shares will be issued by the Corporation upon exercise of an Option, until the Corporation has received payment in full of the exercise price.
- (iv) *Termination of Employment.* In the case of Participants, unless otherwise determined by the Committee and reflected in the Award Agreement or award program:
  - (A) if a Participant shall die while employed or engaged by the Corporation or a Subsidiary or affiliate or during a period following termination of employment or engagement during which an Option otherwise remains exercisable under this Section 6.02(iv), Options granted to the Participant, to the extent exercisable at the time of the Participant's death, may be exercised within two years after the date of the Participant's death, but not later than the expiration date of the Options, by the executor or

administrator of the Participant's estate or by the Person or Persons to whom the Participant shall have transferred such right by will or by the laws of descent and distribution.

- (B) if the Participant must terminate employment due to disability, the Options may be exercised within three years after the date of termination, but not later than the expiration date of the Options.
- (C) if the Participant has attained the age of 55 and has been an employee of the Corporation, its Subsidiary, or affiliate for not less than three (3) years as of or on the date of termination of employment by reason of retirement, the Options shall vest and shall become immediately exercisable in full on the date of termination and may be exercised within three years after the date of retirement, but not later than the expiration date of the Options.
- (D) if the employment or engagement of a Participant with the Corporation and its Subsidiaries and affiliates shall be involuntarily terminated under circumstances which would qualify the Participant for benefits under a severance plan of the Corporation or shall terminate his or her employment or engagement with the written consent of the Corporation or a Subsidiary, the Committee may elect to vest the Options immediately. Options granted to the Participant, to the extent exercisable at the date of the Participant's termination of employment or engagement, may be exercised within six months after the date of termination of employment or engagement, but not later than the expiration date of the Options.
- (E) except to the extent an Option remains exercisable under paragraphs (A) through (D) above, any Option granted to a Participant shall terminate six months after the date of termination of employment or engagement of the Participant with the Corporation or a Subsidiary or affiliate.
- (v) *Individual Option Limit.* The aggregate number of Shares for which Options may be granted under the Plan to any single Participant in any calendar year shall not exceed 666,667 Shares. The limitation in the preceding sentence shall be interpreted and applied in a manner consistent with Section 162(m) of the Code.

6.03 **Restricted Stock.** The Committee is authorized to grant Restricted Stock to Participants on the following terms and conditions:

- (i) *Issuance and Restrictions.* Restricted Stock shall be subject to such restrictions on transferability and other restrictions as the Committee may impose (including, without limitation, limitations on the right to vote Restricted Stock or the right to receive dividends thereon), which restrictions may lapse separately or in combination at such times, under such circumstances, in such installments or otherwise, as the Committee shall determine at the time of grant or thereafter. The restriction period applicable to Restricted Stock shall, in the case of a time-based

restriction, be not less than three years, with ratable vesting over such period or, in the case of a performance-based restriction period, be not less than one year.

- (ii) *Forfeiture.* Except as otherwise determined by the Committee at the time of grant or thereafter, upon termination of employment, engagement or other service (as determined under criteria established by the Committee) during the applicable restriction period, Restricted Stock that is at that time subject to restrictions shall be forfeited and reacquired by the Corporation; provided, however, that the Committee may provide, by rule or regulation or in any Award Agreement, that restrictions on Restricted Stock shall be waived in whole or in part in the event of terminations resulting from specified causes, and the Committee may in other cases waive in whole or in part restrictions on Restricted Stock.
- (iii) *Certificates for Shares.* Restricted Stock granted under the Plan may be evidenced in such manner as the Committee shall determine, including, without limitation, issuance of certificates representing Shares, which may be held in escrow. Certificates representing Shares of Restricted Stock shall be registered in the name of the Participant and shall bear an appropriate legend referring to the terms, conditions and restrictions applicable to such Restricted Stock.

**6.04 Performance Awards.** The Committee is authorized to grant Performance Awards to Participants on the following terms and conditions:

- (i) *Right to Payment.* A Performance Award shall represent a right to receive Shares based on the achievement, or the level of achievement, during a specified Performance Period of one or more Performance Goals established by the Committee at the time of the Award.
- (ii) *Terms of Performance Awards.* At or prior to the time a Performance Award is granted, the Committee shall cause to be set forth in the Award Agreement or otherwise in writing (1) the Performance Goals applicable to the Award and the Performance Period during which the achievement of the Performance Goals shall be measured, (2) the amount which may be earned by the Participant based on the achievement, or the level of achievement, of the Performance Goals or the formula by which such amount shall be determined and (3) such other terms and conditions applicable to the Award as the Committee may, in its discretion, determine to include therein. The terms so established by the Committee shall be objective such that a third party having knowledge of the relevant facts could determine whether or not any Performance Goal has been achieved, or the extent of such achievement, and the amount, if any, which has been earned by the Participant based on such performance. The Committee may retain the discretion to reduce (but not to increase) the amount of a Performance Award which will be earned based on the achievement of Performance Goals. When the Performance Goals are established, the Committee shall also specify the manner in which the level of achievement of such Performance Goals shall be calculated and the weighting assigned to such Performance Goals. The Committee may determine

that unusual items or certain specified events or occurrences, including changes in accounting standards or tax laws and the effects of non-operational items or extraordinary items as defined by generally accepted accounting principles, shall be excluded from the calculation to the extent permitted in Section 162(m).

- (iii) *Performance Goals.* "Performance Goals" shall mean one or more pre-established, objective measures of performance during a specified "Performance Period", selected by the Committee in its discretion.

Performance Goals may be based upon one or more of the following objective performance measures and expressed in either, or a combination of, absolute or relative values: earnings per share, earnings per share growth, return on capital employed, costs, net income, net income growth, operating margin, revenues, revenue growth, revenue from operations, expenses, income from operations as a percent of capital employed, income from operations, cash flow, market share, return on equity, return on assets, earnings (including EBITDA and EBIT), operating cash flow, operating cash flow as a percent of capital employed, economic value added, gross margin, total shareholder return, workforce diversity, number of accounts, workers' compensation claims, budgeted amounts, cost per hire, turnover rate, and/or training costs and expenses. Performance Goals based on such performance measures may be based either on the performance of the Corporation, a Subsidiary or Subsidiaries, affiliate, any branch, department, business unit or other portion thereof under such measure for the Performance Period and/or upon a comparison of such performance with the performance of a peer group of corporations, prior Performance Periods or other measure selected or defined by the Committee at the time of making a Performance Award. The Committee may in its discretion also determine to use other objective performance measures as Performance Goals.

- (iv) *Committee Certification.* Following completion of the applicable Performance Period, and prior to any payment of a Performance Award to the Participant, the Committee shall determine in accordance with the terms of the Performance Award and shall certify in writing whether the applicable Performance Goal or Goals were achieved, or the level of such achievement, and the amount, if any, earned by the Participant based upon such performance. For this purpose, approved minutes of the meeting of the Committee at which certification is made shall be sufficient to satisfy the requirement of a written certification.

Performance Awards are not intended to provide for the deferral of compensation, such that payment of Performance Awards shall be paid within two and one-half months following the end of the calendar year in which the Performance Period ends or such other time period if and to the extent as may be required to avoid characterization of such Awards as deferred compensation.

- (v) *Maximum Individual Performance Award Payments.* In any one calendar year, the maximum amount which may be earned by any single Participant under

Performance Awards granted under the Plan shall be limited to 666,667 Shares. In the case of multi-year Performance Periods, the amount which is earned in any one calendar year is the amount paid for the Performance Period divided by the number of calendar years in the period. In applying this limit, the number of Shares earned by a Participant shall be measured as of the close of the applicable calendar year which ends the Performance Period, regardless of the fact that certification by the Committee and actual payment to the Participant may occur in a subsequent calendar year or years.

6.05 **Other Stock-Based Awards.** The Committee is authorized, subject to limitations under applicable law, to grant to Participants, in lieu of salary, cash bonus, fees or other payments, such other Awards that are denominated or payable in, valued in whole or in part by reference to, or otherwise based on, or related to, Shares, as deemed by the Committee to be consistent with the purposes of the Plan, including, without limitation, purchase rights, appreciation rights, Shares awarded which are not subject to any restrictions or conditions, convertible securities, exchangeable securities or other rights convertible or exchangeable into Shares, as the Committee in its discretion may determine. In the discretion of the Committee, such Other Stock-Based Awards, including Shares, or other types of Awards authorized under the Plan, may be used in connection with, or to satisfy obligations of the Corporation or a Subsidiary under, other compensation or incentive plans, programs or arrangements of the Corporation or any Subsidiary for eligible Participants.

The Committee shall determine the terms and conditions of Other Stock-Based Awards. Shares or securities delivered pursuant to a purchase right granted under this Section 6.05 shall be purchased for such consideration, paid for by such methods and in such forms, including, without limitation, cash, Shares, or other property or any combination thereof, as the Committee shall determine, but the value of such consideration shall not be less than the Fair Market Value of such Shares or other securities on the date of grant of such purchase right.

Appreciation rights may not be granted at a price less than the fair market value of the underlying Shares on the date of grant. Delivery of Shares or other securities in payment of a purchase right or appreciation right, if authorized by the Committee, may be accomplished through the effective transfer to the Corporation of Shares or other securities held by a broker or other agent. Unless otherwise determined by the Committee, the Corporation will also cooperate with any person exercising a purchase right who participates in a cashless exercise program of a broker or other agent under which all or part of the Shares or securities received upon exercise of a purchase right are sold through the broker or other agent, or under which the broker or other agent makes a loan to such person, for the purpose of paying the exercise price of a purchase right.

Notwithstanding the preceding sentence, unless the Committee, in its discretion, shall otherwise determine, the exercise of the purchase right shall not be deemed to occur, and no Shares or other securities will be issued by the Corporation upon exercise of a purchase right, until the Corporation has received payment in full of the exercise price.

## SECTION 7. GENERAL TERMS OF AWARDS

- 7.01 **Stand-Alone, Tandem and Substitute Awards.** Awards granted under the Plan may, in the discretion of the Committee, be granted either alone or in addition to, or in tandem with, any other Award granted under the Plan or any award granted under any other plan, program or arrangement of the Corporation or any Subsidiary (subject to the terms of Section 9.01) or any business entity acquired or to be acquired by the Corporation or a Subsidiary.
- Awards granted in addition to or in tandem with other Awards or awards may be granted either at the same time as or at a different time from the grant of such other Awards or awards.
- 7.02 **Certain Restrictions Under Rule 16b-3.** Upon the effectiveness of any amendment to Rule 16b-3, this Plan and any Award Agreement for an outstanding Award held by a Participant then subject to Section 16 of the Exchange Act shall be deemed to be amended, without further action on the part of the Committee, the Board or the Participant, to the extent necessary for Awards under the Plan or such Award Agreement to qualify for the exemption provided by Rule 16b-3, as so amended, except to the extent any such amendment requires shareholder approval.
- 7.03 **Decisions Required to be Made by the Committee.** Other provisions of the Plan and any Award Agreement notwithstanding, if any decision regarding an Award or the exercise of any right by a Participant, at any time such Participant is subject to Section 16 of the Exchange Act, is required to be made or approved by the Committee or the Board in order that a transaction by such Participant will be exempt under Rule 16b-3, then the Committee or the Board shall retain full and exclusive power and authority to make such decision or to approve or disapprove any such decision by the Participant.
- 7.04 **Term of Awards.** The term of each Award shall be for such period as may be determined by the Committee; provided, however, that in no event shall the term of any Option exceed a period of ten years from the date of its grant.
- 7.05 **Form of Payment of Awards.** Subject to the terms of the Plan and any applicable Award Agreement, payments or substitutions to be made by the Corporation upon the grant, exercise or other payment or distribution of an Award may be made in such forms as the Committee shall determine at the time of grant or thereafter (subject to the terms of Section 9.01), including, without limitation, cash, Shares, or other property or any combination thereof, in each case in accordance with rules and procedures established, or as otherwise determined, by the Committee.
- 7.06 **Limits on Transfer of Awards; Beneficiaries.** No right or interest of a Participant in any Award shall be pledged, encumbered or hypothecated to or in favor of any Person other than the Corporation, or shall be subject to any lien, obligation or liability of such



Participant to any Person other than the Corporation or a Subsidiary except as otherwise established by the Committee at the time of grant or thereafter. No Award and no rights or interests therein shall be assignable or transferable by a Participant otherwise than by will or the laws of descent and distribution, and any Option or other right to purchase or acquire Shares granted to a Participant under the Plan shall be exercisable during the Participant's lifetime only by such Participant. A beneficiary, guardian, legal representative or other Person claiming any rights under the Plan from or through any Participant shall be subject to all the terms and conditions of the Plan and any Award Agreement applicable to such Participant as well as any additional restrictions or limitations deemed necessary or appropriate by the Committee.

- 7.07 **Registration and Listing Compliance.** No Award shall be paid and no Shares or other securities shall be distributed with respect to any Award in a transaction subject to the registration requirements of the Securities Act of 1933, as amended, or any state securities law or subject to a listing requirement under any listing agreement between the Corporation and any national securities exchange, and no Award shall confer upon any Participant rights to such payment or distribution until such laws and contractual obligations of the Corporation have been complied with in all material respects. Except to the extent required by the terms of an Award Agreement or another contract between the Corporation and the Participant, neither the grant of any Award nor anything else contained herein shall obligate the Corporation to take any action to comply with any requirements of any such securities laws or contractual obligations relating to the registration (or exemption therefrom) or listing of any Shares or other securities, whether or not necessary in order to permit any such payment or distribution.
- 7.08 **Stock Certificates.** Awards representing Shares under the Plan may be recorded in book entry form until the lapse of restrictions or limitations thereon, or issued in the form of certificates. All certificates for Shares delivered under the terms of the Plan shall be subject to such stop-transfer orders and other restrictions as the Committee may deem advisable under federal or state securities laws, rules and regulations thereunder, and the rules of any national securities exchange or automated quotation system on which Shares are listed or quoted. The Committee may cause a legend or legends to be placed on any such certificates to make appropriate reference to such restrictions or any other restrictions or limitations that may be applicable to Shares. In addition, during any period in which Awards or Shares are subject to restrictions or limitations under the terms of the Plan or any Award Agreement, the Committee may require any Participant to enter into an agreement providing that certificates representing Shares issuable or issued pursuant to an Award shall remain in the physical custody of the Corporation or such other Person as the Committee may designate.

## SECTION 8. ADJUSTMENT PROVISIONS

8.01 If a dividend or other distribution shall be declared upon the Common Stock payable in shares of the Common Stock, the number of shares of Common Stock then subject to any outstanding Options, Performance Awards or Other Stock Based Awards, the number of shares of Common Stock which may be issued under the Plan but are not then subject to outstanding Options, Performance Awards or Other Stock Based Awards and the maximum number of shares as to which Options or Performance Awards may be granted and as to which shares may be awarded under Sections 6.02(vi) and 6.04(v), shall be adjusted by adding thereto the number of shares of Common Stock which would have been distributable thereon if such shares had been outstanding on the date fixed for determining the shareholders entitled to receive such stock dividend or distribution. Shares of Common Stock so distributed with respect to any Restricted Stock held in escrow shall also be held by the Corporation in escrow and shall be subject to the same restrictions as are applicable to the Restricted Stock on which they were distributed.

If the outstanding shares of Common Stock shall be changed into or exchangeable for a different number or kind of shares of stock or other securities of the Corporation or another corporation, or cash or other property, whether through reorganization, reclassification, recapitalization, stock split-up, combination of shares, merger or consolidation, then there shall be substituted for each share of Common Stock subject to any then outstanding Option, Performance Award or Other Stock Based Award, and for each share of Common Stock which may be issued under the Plan but which is not then subject to any outstanding Option, Performance Award or Other Stock Based Award, the number and kind of shares of stock or other securities (and in the case of outstanding Options, Performance Awards or Other Stock Based Awards, the cash or other property) into which each outstanding share of the Common Stock shall be so changed or for which each such share shall be exchangeable. Unless otherwise determined by the Committee in its discretion, any such stock or securities, as well as any cash or other property, into or for which any Restricted Stock held in escrow shall be changed or exchangeable in any such transaction shall also be held by the Corporation in escrow and shall be subject to the same restrictions as are applicable to the Restricted Stock in respect of which such stock, securities, cash or other property was issued or distributed.

In case of any adjustment or substitution as provided for in this Section 8.01, the aggregate option price for all Shares subject to each then outstanding Option, Performance Award or Other Stock Based Award, prior to such adjustment or substitution shall be the aggregate option price for all shares of stock or other securities (including any fraction), cash or other property to which such Shares shall have been adjusted or which shall have been substituted for such Shares. Any new option price per share or other unit shall be carried to at least three decimal places with the last decimal place rounded upwards to the nearest whole number.

If the outstanding shares of the Common Stock shall be changed in value by reason of any spin-off, split-off or split-up, or dividend in partial liquidation, dividend in property other than cash, or extraordinary distribution to shareholders of the Common Stock, (a)

the Committee shall make any adjustments to any then outstanding Option, Performance Award or Other Stock Based Award, which it determines are equitably required to prevent dilution or enlargement of the rights of optionees and awardees which would otherwise result from any such transaction, and (b) unless otherwise determined by the Committee in its discretion, any stock, securities, cash or other property distributed with respect to any Restricted Stock held in escrow or for which any Restricted Stock held in escrow shall be exchanged in any such transaction shall also be held by the Corporation in escrow and shall be subject to the same restrictions as are applicable to the Restricted Stock in respect of which such stock, securities, cash or other property was distributed or exchanged.

No adjustment or substitution provided for in this Section 8.01 shall require the Corporation to issue or sell a fraction of a Share or other security. Accordingly, all fractional Shares or other securities which result from any such adjustment or substitution shall be eliminated and not carried forward to any subsequent adjustment or substitution. Owners of Restricted Stock held in escrow shall be treated in the same manner as owners of Common Stock not held in escrow with respect to fractional Shares created by an adjustment or substitution of Shares, except that, unless otherwise determined by the Committee in its discretion, any cash or other property paid in lieu of a fractional Share shall be subject to restrictions similar to those applicable to the Restricted Stock exchanged therefor.

In the event of any other change in or conversion of the Common Stock, the Committee may in its discretion adjust the outstanding Awards and other amounts provided in the Plan in order to prevent the dilution or enlargement of rights of Participants.

#### **SECTION 9. AMENDMENTS TO AND TERMINATION OF THE PLAN**

9.01 The Board may amend, alter, suspend, discontinue or terminate the Plan without the consent of shareholders or Participants, except that, without the approval of the shareholders of the Corporation, no amendment, alteration, suspension, discontinuation or termination shall be made if shareholder approval is required by any federal or state law or regulation or by the rules of any stock exchange on which the Shares may then be listed, or if the amendment, alteration or other change materially increases the benefits accruing to Participants, increases the number of Shares available under the Plan or modifies the requirements for participation under the Plan, or if the Board in its discretion determines that obtaining such shareholder approval is for any reason advisable; provided, however, that except as provided in Section 7.02, without the written consent of the Participant, no amendment, alteration, suspension, discontinuation or termination of the Plan may materially and adversely affect the rights of such Participant under any Award theretofore granted to him. The Committee may, consistent with the terms of the Plan, waive any conditions or rights under, amend any terms of, or amend, alter, suspend, discontinue or terminate, any Award theretofore granted, prospectively or retrospectively; provided, however, that except as provided in Section 7.02, without the consent of a Participant, no amendment, alteration, suspension, discontinuation or termination of any

Award may materially and adversely affect the rights of such Participant under any Award theretofore granted to him; and provided further that, except as provided in Section 8.01 of the Plan, the exercise price of any outstanding Option may not be reduced, whether through amendment, cancellation or replacement, unless such reduction is approved by the shareholders of the Corporation.

#### SECTION 10. GENERAL PROVISIONS

- 10.01 **No Right to Awards; No Shareholder Rights.** No Participant shall have any claim to be granted any Award under the Plan, and there is no obligation for uniformity of treatment of Participants, except as provided in any other compensation, fee or other arrangement. No Award shall confer on any Participant any of the rights of a shareholder of the Corporation unless and until Shares are in fact issued to such Participant in connection with such Award.
- 10.02 **Withholding.** To the extent required by applicable Federal, state, local or foreign law, the Participant or his successor shall make arrangements satisfactory to the Corporation, in its discretion, for the satisfaction of any withholding tax obligations that arise in connection with an Award. The Corporation shall not be required to issue any Shares or make any other payment under the Plan until such obligations are satisfied. The Corporation is authorized to withhold from any Award granted or any payment due under the Plan, including from a distribution of Shares, amounts of withholding taxes due with respect to an Award, its exercise or any payment thereunder, and to take such other action as the Committee may deem necessary or advisable to enable the Corporation and Participants to satisfy obligations for the payment of such taxes. This authority shall include authority to withhold or receive Shares, Awards or other property and to make cash payments in respect thereof in satisfaction of such tax obligations.
- 10.03 **No Right to Employment or Continuation of Service.** Nothing contained in the Plan or any Award Agreement shall confer, and no grant of an Award shall be construed as conferring, upon any Participant any right to continue in the employ or service of the Corporation or to interfere in any way with the right of the Corporation or shareholders to terminate his employment or service at any time or increase or decrease his compensation, fees, or other payments from the rate in existence at the time of granting of an Award, except as provided in any Award Agreement or other compensation, fee or other arrangement.
- 10.04 **Unfunded Status of Awards; Creation of Trusts.** The Plan is intended to constitute an "unfunded" plan for incentive compensation. With respect to any payments not yet made to a Participant pursuant to an Award, nothing contained in the Plan or any Award Agreement shall give any such Participant any rights that are greater than those of a general unsecured creditor of the Corporation; provided, however, that the Committee may authorize the creation of trusts or make other arrangements to meet the Corporation's obligations under the Plan to deliver Shares or other property pursuant to

any Award, which trusts or other arrangements shall be consistent with the “unfunded” status of the Plan unless the Committee otherwise determines.

- 10.05 **No Limit on Other Compensatory Arrangements.** Nothing contained in the Plan shall prevent the Corporation from adopting other or additional compensation, fee or other arrangements (which may include, without limitation, employment agreements with executives and arrangements which relate to Awards under the Plan), and such arrangements may be either generally applicable or applicable only in specific cases. Notwithstanding anything in the Plan to the contrary, the terms of each Award shall be construed so as to be consistent with such other arrangements in effect at the time of the Award.
- 10.06 **No Fractional Shares.** No fractional Shares shall be issued or delivered pursuant to the Plan or any Award. The Committee shall determine whether cash, other Awards or other property shall be issued or paid in lieu of fractional Shares or whether such fractional Shares or any rights thereto shall be forfeited or otherwise eliminated.
- 10.07 **Governing Law.** The validity, interpretation, construction and effect of the Plan and any rules and regulations relating to the Plan shall be governed by the laws of the Grand Duchy of Luxembourg (without regard to the conflicts of laws thereof).
- 10.08 **Severability.** If any provision of the Plan or any Award is or becomes or is deemed invalid, illegal or unenforceable in any jurisdiction, or would disqualify the Plan or any Award under any law deemed applicable by the Committee, such provision shall be construed or deemed amended to conform to applicable laws or if it cannot be construed or deemed amended without, in the determination of the Committee, materially altering the intent of the Plan or Award, it shall be deleted and the remainder of the Plan or Award shall remain in full force and effect; provided, however, that, unless otherwise determined by the Committee, the provision shall not be construed or deemed amended or deleted with respect to any Participant whose rights and obligations under the Plan are not subject to the law of such jurisdiction or the law deemed applicable by the Committee.

#### **SECTION 11. EFFECTIVE DATE AND TERM OF THE PLAN**

- 11.01 The effective date and date of adoption of the Plan shall be , 2009, the date of adoption of the Plan by the Board, provided that such adoption of the Plan is approved by a majority of the votes cast at a duly held meeting of shareholders at which a quorum representing a majority of the outstanding voting stock of the Corporation is, either in person or by proxy, present and voting. Notwithstanding anything else contained in the Plan or in any Award Agreement, no Option or other purchase right granted under the Plan may be exercised, and no Shares may be distributed pursuant to any Award granted under the Plan, prior to such shareholder approval. In the event such shareholder approval is not obtained, all Awards granted under the Plan shall automatically be deemed void and of no effect.

DATED  
[DATE]  
EMPLOYMENT CONTRACT  
BETWEEN  
ALTISOURCE SOLUTIONS S.à r.l.  
AND  
MR. WILLIAM BENJAMIN SHEPRO

---

Dated: [DATE]

## EMPLOYMENT CONTRACT

### BY AND BETWEEN:

1. **Altisource Solutions S.à r.l.**, a private limited liability company (*société à responsabilité limitée*) incorporated under the laws of the Grand Duchy of Luxembourg, with a share capital of USD 20,000.-, having its registered office at 2-8, avenue Charles de Gaulle, L-1653 Luxembourg, not yet registered with the Luxembourg Trade and Companies Register (hereinafter referred to as “the **Employer**”);

and

2. **Mr. William Benjamin Shepro**, born on the 17<sup>th</sup> March 1969 in Hartford, Connecticut (United States of America), residing at 5265 Mount Vernon Parkway, Atlanta, GA, 30327, United States of America, prior to relocation to an address in Luxembourg (hereinafter referred to as “the **Employee**”);

The Employee and the Employer may hereinafter collectively be referred to as the “**Parties**”, each being a “**Party**”.

The present contract is signed for an unlimited period of time, in accordance with the provisions of the Luxembourg Labour Code, under the following conditions agreed by and between the Parties:

### Article 1 — Definitions and interpretations:

(a) The definitions and rules of interpretation of this clause apply to this Contract.

**Board** : the board of directors of the Employer or of Altisource Portfolio Solutions S.A. (including any committee of the Board or any individual duly appointed by it);

**Cause** : in accordance with article L.124-10 of the Luxembourg labour code, Cause is held to include (i) wilful misconduct by the Employee with regard to the Employer which has a material adverse effect on the Employer and which is not cured within thirty (30) days of receipt of a written notice from the Board which specifically identifies such purported misconduct by the Employee; (ii) the wilful refusal of Executive to attempt to follow the proper direction of the Board which is not cured within thirty (30) days of receipt of a written notice from the Board which specifically identifies such purported failure by Employee, provided that the foregoing refusal by Employee shall not be “Cause” if such direction is illegal, unethical or immoral and Employee promptly so notifies the Board; (iii) material and continuing wilful failure by Employee to perform the duties required of him under the present Contract (other than any such failure resulting from incapacity due to physical or mental illness) which is not cured within thirty (30) days of receipt of a written demand for substantial performance from the Board which specifically identifies the manner in which it is believed that Employee has substantially and continually refused to attempt to perform his duties hereunder; (iv) the Employee being convicted of a felony; (v) a material breach of this Contract, which is not cured

within thirty (30) days of receipt of a written notice of such breach from the Board specifically identifying the manner in which it is believed that Employee has materially breached this Contract, or (vi) drunkenness or the possession of narcotics on Employer's property, wilful and material damage to Employer's property or repeated and material violations of Employer's policies, provided that such violations have not been cured within thirty (30) days of receipt of written notice which specifically identifies the policies at issue. For purposes of this paragraph, no act, or failure to act, on Employee's part shall be considered "wilful" unless done, or omitted to be done, by him not in good faith and without reasonable belief that his action or omission was in the best interests of the Employer;

**Commencement Date** : the first Monday, two weeks after the date of distribution of the Employer's Parent Company (in accordance with article 9 (a));

**Confidential Information** : information (of any nature and in any format) which is not in the public domain, relating to the business, products, affairs and finances of the Employer;

**Contract** : the present unlimited period employment contract;

**Employment** : the employment of the Employee by the Employer on the terms of this Contract;

**Good Reason** : the occurrence or failure to cause the occurrence, as the case may be, without Employee's express written consent of any of the following circumstances: (i) any substantial unreasonable material diminution of Employee's positions, duties or responsibilities hereunder (except in each case in connection with the termination of Employee's employment for Cause or disability or as a result of Employee's death, or temporarily as a result of Employee's illness or other absence), or, the assignment to Employee of duties or responsibilities that are inconsistent with Employee's position; (ii) removal of, or the non re-election of the Employee from executive positions with the Employer or its Parent Company without election to a higher position or removal of Employee from any of his executive positions; (iii) a failure by the Employer to continue any incentive plan, programme or arrangement in which Employee is entitled to participate (the "Incentive Plans"), provided that any such Incentive Plans may be modified at the Employer's discretion from time to time; (iv) any material breach by the Employer of any provision of this Agreement; (v) failure of any successor to the Employer or to the Parent Company (whether direct or indirect and whether by merger, acquisition, consolidation or otherwise) to assume the obligations of the Employer hereunder in a writing delivered to Employee upon the assignee becoming the successor;

**Tax Gross Up** : all amounts necessary to reimburse Employee for taxes required to be paid by Employee for applicable benefits paid hereunder;

**Incapacity** : any illness or injury which prevents the Employee from carrying out his duties;

**Parent Company** : Altisource Portfolio Solutions S.A., a public limited liability company (*société anonyme*), incorporated under the laws of the Grand Duchy of Luxembourg, with a share capital of USD 9,341,907.-, having its registered office at 2-8,



avenue Charles de Gaulle, L-1653 Luxembourg, registered with the Luxembourg Trade and Companies Register under number B 72 391;

**Pre-Contractual Statement** : any undertaking, promise, assurance, statement, representation, warranty or understanding (whether in writing or not) of any person (whether party to this Contract or not) relating to the Employee's employment under this Contract which is not expressly set out in this Contract or any documents referred to in it;

**Rules and Regulations** : any internal rules, regulations, policies or procedures which may be periodically prepared by the Employer and which apply to all its employees including the Employee;

**Subsidiaries** : all present and future subsidiaries of the Employer or the Parent Company;

**Target Total Compensation** : annual gross salary together with annual target incentive; and

**Travel and Entertainment Expense Policy** : Employer's policy on travel and entertainment expenses, as may be amended from time to time. The Employee hereby affirms that he has seen and approved the policy and possesses a copy.

- (b) Any reference to a particular law is a reference to the said law as it is in force at that time, taking any amendment, extension or re-enactment into account and including any subordinate legislation made under it.
- (c) A reference to one gender includes reference to the other gender.

#### **Article 2 — Duties and Nature of Service**

- (a) The Employer shall employ the Employee and the Employee shall serve the Employer as from the Commencement Date to fulfill the position of Chief Executive Officer. As such, the Employee will execute tasks including, but not limited to, (i) implementing the strategic goals and objectives of the Employer and Employer's Parent Company, (ii) assisting the Board to fulfil its governance function and (iii) giving direction and leadership towards the achievement of the Employer's mission, strategy, and main objectives.
- (b) During the Employment the Employee shall (i) unless prevented by Incapacity, devote the whole of his time, attention and abilities to the business of the Employer, (ii) diligently exercise such powers and perform such duties as may from time to time be assigned to him by the Board together with such person or persons as the Board may appoint to act jointly with him, (iii) comply with all reasonable and lawful directions given to him by the Board and (iv) use his best endeavours to promote, protect, develop and extend the business of the Employer.
- (c) The Employee shall serve the Employer on the terms of this Contract and accepts the aforementioned position. The Employee shall work for the Employer in this position or in any other similar position, which the Employer may assign to him over the course of time.

- (d) The Employment will take place in such various addresses, as may be reasonably designated by the Employer. The Employee consents that the geographical location of the Employment is not a substantive clause of this Contract. The head office of the Employer is located at 2-8, avenue Charles de Gaulle, L-1653, Luxembourg. However, if the geographical location of the Employment is relocated to over thirty miles away from its original address, the Employer agrees to pay all standard relocation costs for Employee.
- (e) The Employee agrees to travel on the Employer's business (both within Luxembourg and abroad) as may be reasonably required for the proper performance of the duties under the Employment. During the Employment the Employee may be required to work outside Luxembourg for a continuous period of more than one (1) month. In such an event, the Employer will provide the Employee with the following information before he leaves : (i) the length of time required abroad; (ii) the currency of salary (if applicable); (iii) any monetary benefits or benefits in kind due (if applicable); and (iv) any repatriation conditions (if applicable).
- (f) The Employee expressly confirms that he is not bound to any other company, firm or entity by a non-competition or any other such clause which would prevent him from signing the present Contract.
- (g) The Employee shall undertake to inform the Employer immediately in writing of any relevant change in the Employee's personal situation such as his address. The Employer shall treat all such information confidentially.
- (h) The Employee warrants that he is currently applying for the necessary administrative work and residence permits with the relevant Luxembourg authorities, which, upon receipt, will entitle him to work in Luxembourg without any additional approvals. The Employee shall notify the Employer immediately if he ceases to be so-entitled during the Employment. The Employee shall further immediately notify the Employer of his address of residence in Luxembourg.
- (i) The Employee consents to undergo an obligatory medical examination within two months of commencing the Employment in order to verify his physical aptitude to fulfil his obligations under the Employment.
- (j) The Employee shall comply with all the rules, policies and procedures set out in the internal Rules and Regulations, which shall be established over the course of time by the Employer and a copy of which will be made available to the Employee once adopted. Such Rules and Regulations may be modified at any time. In the event of conflict between the terms of this Contract and the terms of the Rules and Regulations, this Contract shall prevail.

**Article 3 — Term of Employment**

- (a) The present Contract shall take effect or be deemed to have taken effect, on the Commencement Date and is concluded for an indefinite period, subject to the terms of this Contract and the Luxembourg Labour Code.
- (b) For the purposes of the following calculations in Article 3, the Employee will be credited with the previous term of employment with Ocwen Financial Corporation, a company

incorporated under the laws of Florida, the United States of America, with registered address at 1661 Worthington Road, West Palm Beach, Florida, 33409, United States of America. The parties hereby acknowledge agree that the Employee's term of employment with Ocwen Financial Corporation is twelve (12) years.

(c) Either Party may terminate this Contract in writing, giving the other no less than the following legal prior notice, in accordance with article L.124-1 of the Luxembourg Labour Code.

In the case of the dismissal of the Employee by the Employer, the latter must respect a minimum prior notice of :

- two (2) months if the term of the Employment is under five (5) years;
- four (4) months if the term of the Employment is between five (5) and ten (10) years;
- six (6) months if the term of the Employment is over ten (10) years.

In the case of the resignation of the Employee, the following prior notice must be given:

- one (1) month if the term of the Employment is under five (5) years;
- two (2) months if the term of the Employment is between five (5) and ten (10) years;
- three (3) months if the term of the Employment is over ten (10) years.

The respective prior notice will run from the fifteenth (15th) day of the month if notice was given before such a date, or from the first (1st) day of the following month if notice was given after the fifteenth (15th) of the month.

(d) In accordance with article L.124-7 of the Luxembourg Labour Code, a further redundancy payment of one to twelve months' salary shall be paid by the Employer to the Employee justifying a term of employment of over five years at the end of the notice period, notwithstanding the provisions under article L. 124-7 (3).

(e) Notwithstanding sub (c) and (d) and in accordance with article L.124-10 of the Luxembourg Labour Code, the Employer may terminate the Contract with immediate effect without notice and with no liability to make any further payment to the Employee (other than in respect of amounts accrued due and unpaid at the date of termination) for Cause.

(f) The Contract will automatically terminate by operation of the law on the date on which the Employee is declared to be medically unable to perform his duties under the Contract by the pre-employment, or any subsequent, medical examination; on the fifty-second week of continual Incapacity over any one hundred and four week period; when the Employee reaches the legal retirement age or is attributed an old-age pension or any other of the provisions specified under articles L.125-2 to L.125-4 of the Luxembourg Labour Code. In such an event, the Employer will pay the Employee all standard relocation costs necessary to relocate the Employee to either Atlanta, South Florida or equivalent in the United States of America, at the Employee's sole discretion.

(g) In addition to the minimum notice requirements, under sub (c), should the Employer terminate the Employee's employment for any reason other than for Cause, the Employer shall pay to the Employee a further twelve (12) months' salary and one year's target incentive compensation as well as all standard relocation costs (together with Tax Gross

Up) necessary to relocate the Employee to either Atlanta, South Florida or equivalent, at the Employee's sole discretion. To the extent notice of termination is provided by Employer after October 1<sup>st</sup> of the service year and before incentives are paid for the prior service year, employee will be entitled to receive any incentive earned and vested for the prior service year in addition to the one year's target incentive to be paid hereunder. The amounts paid hereunder will include all redundancy payments as required under sub (d).

- (h) If the Employee provides ninety (90) days notice of Good Reason and the Employer fails to correct such Good Reason within ninety (90) days, the Employee may terminate the Employment immediately. In such an event, and upon termination, the Employer shall pay to the Employee twelve (12) months Target Total Compensation as well as all standard relocation costs (together with Tax Gross Up) to relocate the Employee to either Atlanta, South Florida or equivalent, at the Employee's sole discretion.

#### **Article 4 — Working Hours and Holidays**

- (a) The Employee hereby acknowledges that general working hours or overtime statutory provisions are not applicable to his position as an executive, in accordance with article 16-2 of the law of 30 June 2004 on collective employment relations. Working hours may thus vary according to the Employer's requirements.
- (b) The Employee shall have the right to 25 days of annual paid time off, in addition to the Luxembourg public holidays, notwithstanding article L.233-4 of the Luxembourg Labour Code's provisions. The Employee will accrue paid time off at 2 1/12 days per completed month worked. The Employer's holiday year runs from the 1<sup>st</sup> January to the 31<sup>st</sup> December. For 2009, Employee will receive paid time off accruals outstanding for Ocwen Financial Corporation as of the Commencement Date.

The Employee will respect a reasonable delay between requesting the Employer for leave and taking it, in order to not perturb the functioning of the company. The Employer shall respect the Employee's request to the extent that the request does not perturb the functioning of the company or conflict with other employees' leave.

- (c) The Employee shall take, and the Employer shall allow the Employee to take, his accumulated leave in full before the end of each calendar year, in accordance with articles L.233-9 and L.233-10 of the Luxembourg Labour Code. The Employee may not carry forward any more than five days of accrued paid time off to a subsequent holiday year, nor receive any payment in lieu of such entitlement without the prior consent of the Employer.

#### **Article 5 — Remuneration**

- (a) All payments and allowances to the Employee shall be in euros (EUR). Upon providing notice to the Employer's Chief Financial Officer prior to the payment thereof, the Employee may elect, (i) to have all or a percentage of his cash incentive payment paid in U.S. Dollars and (ii) to receive any severance payment in U.S. Dollars.
- (b) The Employee's annual gross salary shall be USD 442,000.-, payable in twenty-six instalments of USD 17,000.- less all applicable withholdings- per annum. The Employee's salary is based on a minimum of 40 hours a week. All salary amounts for 2009 shall be

converted into Euros prior to payment at the average exchange rate for conversion from US Dollars to Euros for 2009 up to the Commencement Date. Subsequent to 2009, all salary amounts shall be converted into Euros prior to payment at the average exchange rate for conversion from US Dollars to Euros for the prior fiscal year.

- (c) The Employee's salary shall accrue from day to day and be payable in arrears bi-weekly into the Employee's bank account. The Employee shall inform the Employer of all necessary details relating thereto.
- (d) The Employer hereby informs the Employee that in order to fulfil the obligations under the employment contract and to pay his salary, the following information about the Employee may be transmitted: name, address, civil status, date of birth, any documents given during the employment proceedings (including the *curriculum vitae*), the employment agreement and salary, proof of payment, all raises or modifications of salary, the hours effectively worked, any correspondence with the employees as well as all other documents relating to the employment contract (such as holiday requests or Incapacity certificates), in accordance with articles 26 and 28 of the 2002 Personal Data Law, as amended.  
The Employee is permitted to access the above information and may demand the rectification of any error thereupon.
- (e) The Employee's salary shall be reviewed by the Board annually, the first such review to take place in January 2010. The Employer is under no obligation to award an increase following a salary review. There will be no review of the salary after notice has been given by either Party to terminate the Employment.
- (f) Upon satisfaction of the relevant performance criteria, the Employee may be entitled to an annual incentive in the target amount of USD 663,000.-. The objective criteria to taken into account to award such incentives for 2009 and thereafter include the criteria detailed in the Employee's Scorecard to be approved by the Compensation Committee annually.
- (g) The Employer may introduce further benefits for employees, such as health care and contributory pensions. Any invitation to participate in such benefits will be issued by the Board as and when any such benefits are implemented, on a non-discriminatory basis to all or to objectively determined sections of employees. This clause shall not entitle the Employee to participate in any such benefit unless so entitled by his position in the above criteria. It is intended that the Employee will receive similar benefits to those received in his role as President Ocwen Solutions for Ocwen Financial Corporation.
- (h) The salary, incentive and other benefits of the Employee shall be payable after deduction of all compulsory contributions to the social security system (if applicable) in existence in Luxembourg and after deduction of the retentions at source of income tax (if applicable) and, should the case arise, any other charges imposed by Luxembourg Law.

#### **Article 6 — Expenses**

- (a) The Employer shall reimburse (or procure the reimbursement of) all reasonable expenses, (to the extent that such expenses are compliant with the Employer's Travel and Entertainment Expense Policy), wholly, properly and necessarily incurred by the

Employee in the course of the Employment, subject to production of receipts or other appropriate evidence of payment.

- (b) The Employee shall abide by the Employer's policies on expenses as communicated to the Employee.
- (c) Any credit card supplied to the Employee by the Employer shall be used only for expenses incurred in the course of the Employment.

**Article 7 — Incapacity**

- (a) The Employee who is incapable of working for any reason of illness or accident shall notify the Employer or his representative on the first day of Incapacity, either personally or by way of an intermediary. Such notification may be made orally or in writing.
- (b) If the period of Incapacity is over three days, the Employee must present a medical certificate demonstrating his Incapacity by the third day at the latest, in order to benefit from the article L.121-6 of the Luxembourg Labour Code protection from redundancy.
- (c) Subject to the Employee's compliance with the provisions of the Luxembourg Labour Code, he shall continue to receive his full salary and contractual benefits (if any) during any period of absence due to Incapacity up to the last day of the within which the aggregate seventy-seventh day of Incapacity falls during any fifty-two week period. Such payment shall be inclusive of any statutory sick pay due in accordance with applicable legislation at the time of absence, in compliance with article L.121-6 of the Luxembourg Labour Code.
- (d) If the Employee has fulfilled his legal obligations under L.121-6 of the Luxembourg Labour Code, the Employer may not terminate the Employment for a period of twenty-six weeks by giving the notice specified in clause 3.b.
- (e) To the extent the Employment is terminated due to Incapacity in accordance with article L. 121-6(5), the Employer will pay all standard relocation costs (together with Tax Gross Up) to relocate the Employee to either Atlanta, South Florida or equivalent at the Employee's sole discretion.

**Article 8 — Confidential Information and Restrictive Covenants**

- (a) The Employee shall treat as confidential all information concerning the activities of the Employer, and he shall not disclose to third parties, or to other employees, any information of which he may have been made aware during the present Contract, notwithstanding that which is reasonably necessary to permit normal performance or their respective duties by the parties concerned.
- (b) All notes, reports, listings, files, documents, and contacts whatsoever related to the Employer are and shall remain the exclusive property of the Employer and shall be created, processed, and stored by the Employee in a confidential manner exclusively on behalf of the Employer.

When the present Contract shall come to an end, the Employee must return to the Employer all documents as well as copies of such documents which may be in the possession of or under the control of the Employee, and the Employee undertakes to do everything to assist the Employer to recover all documents which may be beyond the control of the Employee.

- (c) Simultaneously to the signing of the present Contract, the Parties acknowledge they are executing the Altisource Employee Intellectual Property Agreement in substantially the same form of that which is appended hereto as exhibit B.
- (d) Following the valid termination of the Employment, the Employee hereby expressly agrees to refrain from setting up his own company, or setting himself up as a freelancer, in any directly or indirectly competing field with the Employer's activities including but not limited to any residential mortgage related services, residential mortgage related outsourcing services, receivables management outsourcing services and the sale of mortgage related technology products in Luxembourg for a period of one (1) year.
- (e) The Employee hereby acknowledges that during his time of Employment he has been and will be provided with access to confidential information and to Employer's clients, customers and others with whom the Employer has formed valuable business arrangements. The Employee hereby agrees that he will not: (i) for a period of one (1) year following the date of termination of this Contract, solicit any of Employer's clients or take any other action that would interfere with, diminish or impair the relationships that the Employer has with its clients, customers and others with which the Employer has business relationships or to which services are rendered; (ii) hire, recruit, solicit for employment or induce to terminate the Employer's employment of any person (natural or otherwise) who is or who becomes an employee of the Employer; or (iii) assist with others engaging in any of the foregoing.

#### Article 9 — Miscellaneous

- (a) The Parties hereby expressly agree to reexecute the Contract within thirty (30) days subsequent to the distribution date of Employer's Parent Company, in order to amend it to include the actual Commencement date and the Employee's address in Luxembourg.
- (b) All notices and other communications provided for hereunder shall be in English and in writing, delivered by hand or by registered or certified mail (return receipt requested) and delivered or addressed to the addressee at its address below (or any other address it may subsequently notify in writing to the other Party):

if to the Employer, to:

Address: **Altisource Portfolio Solutions S.A.**  
2-8, avenue Charles de Gaulle, L-1653 Luxembourg

Attention: The Board of Managers

if to the Employee, to:

Address: 5265 Mount Vernon Parkway, Atlanta, GA, 30327, United States of America (until the Employer has been informed of the Employee's Luxembourg address)  
Attention: Mr. William Shepro

Each time the Employee's address is changed, notice shall be given to the Employer and at such time all notices are required be sent to the new address. The foregoing notwithstanding, and for the avoidance of doubt the parties may meet the notice requirements hereunder by hand delivering to the other party.

- (c) The date on which a notice shall be deemed validly given shall be the date of its receipt by the addressee, i.e. the date appearing on the acknowledgment or refusal of receipt or the addressee's countersignature.
- (d) No amendment or waiver of any provision of this Contract, nor consent to or departure by either Party therefrom, nor any subsidiary agreement relating to the subject matter of this Contract, shall in any event be valid unless it is in writing and signed by or on behalf of both Parties.
- (e) The Employee is hereby prohibited from exercising all other professional employment activity during the term of the Contract and in addition to the Employment, without prior written consent from the Employer.
- (f) Each Party of behalf of itself acknowledges and agrees with the other Party that (i) this Contract, together with any documents referred to in it, constitute the entire agreement and understanding between the Employee and the Employer, superseding any prior agreement relating to the Employment (ii) that by entering into this Contract neither Party has relied on any Pre-Contractual Statement and (iii) that other than remedy for breach of Contract under the terms of the present Contract no Party shall have any right of action against the other Party in respect of any Pre-Contractual Statement.
- (g) Nothing in this Contract shall operate to limit or to exclude any liability for fraud.

**Article 9 — Governing Law and Jurisdiction**

The present Contract shall be governed, interpreted and performed by and in accordance with the law in force in the Grand-Duchy of Luxembourg. Each Party expressly agrees to submit to the exclusive jurisdiction of the Courts of Luxembourg over any claim or matter arising under or in connection with this Contract.

In witness whereof the present Contract has been signed in duplicate on [DATE] 2009 and each of the Parties acknowledges having received one original version.



**The Employer**

**Altisource Solutions S.à r.l.**

---

[NAME]

[FUNCTION]

**The Employee**

Mr. William Benjamin Shepro

---

Exhibit A : Altisource Employee Intellectual Property Agreement

EXHIBIT A

# Altisource<sup>TM</sup>

EMPLOYEE INTELLECTUAL PROPERTY AGREEMENT

This AGREEMENT made by and between ALTISOURCE SOLUTIONS S.à r.l., a private limited liability company organized under the laws of the Grand Duchy of Luxembourg, having a place of business at 2, rue Jean Bertholet L-1233,Luxembourg (together with its parent company, Altisource Portfolio Solutions, S.A., and each of its parent company's subsidiaries, affiliates or related companies "Altisource"), and

---

(Name of Employee)

(Social Security Number)

In consideration for my employment by Altisource, and the wages or salary and other employee benefits in compensation for my services, I agree that:

1. I will not disclose or induce Altisource or companies which it owns or controls to use confidential information or trade secrets of others, unless authorized by the owner.
  2. During my employment with Altisource and thereafter, I will treat all Confidential Information as secret and confidential and I will never use or disclose or authorize anyone else to use or disclose such Confidential Information except as is expressly permitted by Altisource in performance of my designated duties to Altisource. I will diligently protect all Confidential Information against loss by inadvertent or unauthorized use or disclosure.
  3. Since I have no right to use Confidential Information after termination of my employment with Altisource, in addition to other rights or remedies Altisource may have, Altisource shall have a perpetual, royalty-free, nonexclusive license to fully utilize for any purpose all inventions, computer programs and copyright works made, conceived, or authored by me, alone or jointly with others, related to work I performed during my employment with Altisource, and which utilizes Confidential Information.  
  
All Developments are the property of Altisource and deemed works made for hire, to the extent applicable. To the extent any Developments and the rights therein do not become the property of Altisource by operation of law, I hereby assign to Altisource all my rights to such Developments in all countries as of the time such rights arise.
  4. For the purpose of this Agreement, the following words shall have the following meanings:
    - a. "Confidential Information" means information which is disclosed to me, known by me, or generated by me as a consequence of or related to my employment with Altisource, which is not generally known outside Altisource, and which relates to Altisource's business. "Confidential Information" is intended to include, but is not limited to, trade secrets,
-

# Altisource<sup>TM</sup>

inventions, processes, formulas, systems, computer programs, plans, programs, studies, techniques and business information.

- b. "Developments" means all inventions, whether or not patentable, Confidential Information, computer programs, copyright works, algorithms, processes, trademarks and other intellectual property, made, conceived, or authored by me, alone or jointly with others, while employed by Altisource, whether or not during normal business hours or on Altisource premises, that are within the existing or contemplated scope of Altisource's business or of companies which it owns or controls at the time such Developments are made, conceived, or authored or which result from or are suggested by any work I or others may do for or on behalf of Altisource or such companies.
  5. I have these rights. No provision in this Agreement is intended to require assignment of any of my rights in an invention for which I can prove no equipment, supplies, facilities, or trade secret information of Altisource was used and was developed entirely on my own time; and which I can prove (1) does not relate to the business of Altisource or to the actual or demonstrably anticipated research or development of Altisource; and (2) does not result from any work performed by me for Altisource.
  6. I will promptly submit to Altisource written disclosures of all inventions, whether or not patentable, which are made or conceived by me, alone or jointly with others, while I am employed by Altisource.
  7. Upon request by Altisource, at any time during my employment with Altisource and thereafter, I will:
    - a. submit to Altisource written disclosures of all intellectual property made, conceived, or authored, by me, alone or jointly with others, while employed by Altisource; and
    - b. provide proper assistance and execute all papers deemed by Altisource to be necessary to effectuate the intentions of the parties expressed in this Agreement and to develop and preserve legal protection for all Developments in the name of Altisource.
  8. All written materials and other tangible objects, including copies, made or compiled by me or made available to me in the course of my employment, shall be the property of Altisource and shall be delivered to Altisource upon termination of my employment or at any other time upon request.
  9. The laws of the Grand Duchy of Luxembourg will govern the interpretation, validity and effect of this Agreement without regard to its place of execution or its place of performance. Should I violate this Agreement, inadvertently or otherwise, I acknowledge that irreparable harm will result to Altisource, and that Altisource shall be entitled to any remedy, legal or equitable, to correct any harm which results from such violation.
  10. This Agreement may not be superseded, amended, or modified except by a written agreement signed by me and any of the president, the chief financial officer or the general counsel of Altisource.
-

# Altisource<sup>TM</sup>

11. If any provision of this Agreement is held to be unenforceable for any reason, it shall be conformed to prevailing law rather than voided, if possible, in order to achieve the intent of the parties to the extent possible. In any event, all other provisions of this Agreement shall be deemed valid and enforceable to the fullest extent possible.
- If Altisource decides not to exercise any of its rights under this Agreement or to take no action, against any violation, such decision shall not affect the exercise of such right or taking of any action at another time.
12. There is no agreement or restriction which prevents the performance of my duties under this Agreement, except an agreement with \_\_\_\_\_, a copy of which is attached hereto. (If there is none, insert "no exception.")

I acknowledge that I have read and that I understand this Agreement. I understand that to the extent applicable it remains in effect following my employment with Altisource. I also understand this Agreement is legally binding upon me and upon my heirs and it may be transferred by Altisource to any of its successors or assigns.

By: \_\_\_\_\_

Date: \_\_\_\_\_

Accepted by Altisource:

By: \_\_\_\_\_

Date: \_\_\_\_\_

DATED  
[DATE]  
EMPLOYMENT CONTRACT  
BETWEEN  
ALTISOURCE SOLUTIONS S.à r.l.  
AND  
MR. ROBERT DANIEL STILES

---

Dated: [DATE]

## EMPLOYMENT CONTRACT

### BY AND BETWEEN:

1. **Altisource Solutions S.à r.l.**, a private limited liability company (*société à responsabilité limitée*) incorporated under the laws of the Grand Duchy of Luxembourg, with a share capital of USD 20,000.-, having its registered office at 2-8, avenue Charles de Gaulle, L-1653 Luxembourg, not yet registered with the Luxembourg Trade and Companies Register (hereinafter referred to as “the **Employer**”);

and

2. **Mr. Robert Daniel Stiles**, born on 28 September 1972 in New Jersey, residing at 510 West 52<sup>nd</sup> Street, apt PH1B, New York, 10019, United States of America, prior to relocation to an address in Luxembourg (hereinafter referred to as “the **Employee**”);

The Employee and the Employer may hereinafter collectively be referred to as the “**Parties**”, each being a “**Party**”.

The present contract is signed for an unlimited period of time, in accordance with the provisions of the Luxembourg Labour Code, under the following conditions agreed by and between the Parties:

### Article 1 — Definitions and interpretations:

(a) The definitions and rules of interpretation of this clause apply to this Contract.

**Board** : the board of directors of the Employer or of Altisource Portfolio Solutions S.A. (including any committee of the Board or any individual duly appointed by it);

**Cause** : in accordance with article L.124-10 of the Luxembourg Labour code, Cause is held to include (i) wilful misconduct by the Employee with regard to the Employer which has a material adverse effect on the Employer and which is not cured within thirty (30) days of receipt of a written notice from the Board or from the Chief Executive Officer which specifically identifies such purported misconduct by the Employee; (ii) the wilful refusal of Executive to attempt to follow the proper direction of the Board or from the Chief Executive Officer which is not cured within thirty (30) days of receipt of a written notice from the Board or from the Chief Executive Officer which specifically identifies such purported failure by Employee, provided that the foregoing refusal by Employee shall not be “Cause” if such direction is illegal, unethical or immoral and Employee promptly so notifies the Board or the Chief Executive Officer (whichever is applicable); (iii) material and continuing wilful failure by Employee to perform the duties required of him under the present Contract (other than any such failure resulting from incapacity due to physical or mental illness) which is not cured within thirty (30) days of receipt of a written demand for substantial performance from the Board or from the Chief Executive Officer which specifically identifies the manner in which it is believed that Employee has substantially and continually refused to attempt to perform his duties hereunder; (iv) the

Employee being convicted of a felony; (v) a material breach of this Contract, which is not cured within thirty (30) days of receipt of a written notice of such breach from the Board or from the Chief Executive Officer specifically identifying the manner in which it is believed that Employee has materially breached this Contract, or (vi) drunkenness or the possession of narcotics on Employer's property, wilful and material damage to Employer's property or repeated and material violations of Employer's policies, provided that such violations have not been cured within thirty (30) days of receipt of written notice which specifically identifies the policies at issue. For purposes of this paragraph, no act, or failure to act, on Employee's part shall be considered "wilful" unless done, or omitted to be done, by him not in good faith and without reasonable belief that his action or omission was in the best interests of the Employer;

**Commencement Date** : the first Monday, two weeks after the date of distribution of the Employer's Parent Company (in accordance with article 9 (a));

**Confidential Information** : information (of any nature and in any format) which is not in the public domain, relating to the business, products, affairs and finances of the Employer;

**Contract** : the present unlimited period employment contract;

**Employment** : the employment of the Employee by the Employer on the terms of this Contract;

**Good Reason** : the occurrence or failure to cause the occurrence, as the case may be, without Employee's express written consent of any of the following circumstances: (i) any substantial unreasonable material diminution of Employee's positions, duties or responsibilities hereunder (except in each case in connection with the termination of Employee's employment for Cause or disability or as a result of Employee's death, or temporarily as a result of Employee's illness or other absence), or, the assignment to Employee of duties or responsibilities that are inconsistent with Employee's position; (ii) removal of, or the non re-election of the Employee from executive positions with the Employer or its Parent Company without election to a higher position or removal of Employee from any of his executive positions; (iii) a failure by the Employer to continue any incentive plan, programme or arrangement in which Employee is entitled to participate (the "Incentive Plans"), provided that any such Incentive Plans may be modified at the Employer's discretion from time to time; (iv) any material breach by the Employer of any provision of this Agreement; (v) failure of any successor to the Employer or to the Parent Company (whether direct or indirect and whether by merger, acquisition, consolidation or otherwise) to assume the obligations of the Employer hereunder in a writing delivered to Employee upon the assignee becoming the successor;

**Tax Gross Up** : all amounts necessary to reimburse Employee for taxes required to be paid by Employee for applicable benefits paid hereunder;

**Incapacity** : any illness or injury which prevents the Employee from carrying out his duties;

**Parent Company** : Altisource Portfolio Solutions S.A., a public limited liability company (*société anonyme*), incorporated under the laws of the Grand Duchy of

Luxembourg, with a share capital of USD 9,341,907.-, having its registered office at 2-8, avenue Charles de Gaulle, L-1653 Luxembourg, registered with the Luxembourg Trade and Companies Register under number B 72 391;

**Pre-Contractual Statement** : any undertaking, promise, assurance, statement, representation, warranty or understanding (whether in writing or not) of any person (whether party to this Contract or not) relating to the Employee's employment under this Contract which is not expressly set out in this Contract or any documents referred to in it;

**Rules and Regulations** : any internal rules, regulations, policies or procedures which may be periodically prepared by the Employer and which apply to all its employees including the Employee;

**Subsidiaries** : all present and future subsidiaries of the Employer or the Parent Company;

**Target Total Compensation** : annual gross salary together with annual target incentive; and

**Travel and Entertainment Expense policy** : Employer's policy on travel and entertainment expenses, as may be amended from time to time. The Employee hereby affirms that he has seen and approved the policy and possesses a copy.

- (b) Any reference to a particular law is a reference to the said law as it is in force at that time, taking any amendment, extension or re-enactment into account and including any subordinate legislation made under it.
- (c) A reference to one gender includes reference to the other gender.

#### **Article 2 — Duties and Nature of Service**

- (a) The Employer shall employ the Employee and the Employee shall serve the Employer as from the Commencement Date to fulfill the position of Chief Financial Officer. As such, the Employee will execute tasks including, but not limited to, (i) supervising all financial matters for the Employer, its Parent Company and its subsidiaries, (ii) promptly reporting to the Chief Executive Officer or the Board in connection with the affairs of the Employer on such matters and at such times as are reasonably required and (iii) directly assisting the Chief Executive Officer on all strategic and tactical matters.
- (b) During the Employment the Employee shall (i) unless prevented by Incapacity, devote the whole of his time, attention and abilities to the business of the Employer, (ii) diligently exercise such powers and perform such duties as may from time to time be assigned to him by the Board together with such person or persons as the Board may appoint to act jointly with him, (iii) comply with all reasonable and lawful directions given to him by the Board and (iv) use his best endeavours to promote, protect, develop and extend the business of the Employer.
- (c) The Employee shall serve the Employer on the terms of this Contract and accepts the aforementioned position. The Employee shall work for the Employer in this position or in any other similar position, which the Employer may assign to him over the course of time.



- (d) The Employment will take place in such various addresses, as may be reasonably designated by the Employer. The Employee consents that the geographical location of the Employment is not a substantive clause of this Contract. The head office of the Employer is located at 2-8, avenue Charles de Gaulle, L-1653, Luxembourg. However if the head office is relocated to over thirty miles away from its original address, the Employer agrees to pay all standard relocation costs.
- (e) The Employee agrees to travel on the Employer's business (both within Luxembourg and abroad) as may be reasonably required for the proper performance of the duties under the Employment. During the Employment the Employee may be required to work outside Luxembourg for a continuous period of more than one (1) month. In such an event, the Employer will provide the Employee with the following information before he leaves : (i) the length of time required abroad; (ii) the currency of salary (if applicable); (iii) any monetary benefits or benefits in kind due (if applicable); and (iv) any repatriation conditions (if applicable).
- (f) The Employee expressly confirms that he is not bound to any other company, firm or entity by a non-competition or any other such clause which would prevent him from signing the present Contract.
- (g) The Employee shall undertake to inform the Employer immediately in writing of any relevant change in the Employee's personal situation such as his address. The Employer shall treat all such information confidentially.
- (h) The Employee warrants that he is currently applying for the necessary administrative work and residence permits with the relevant Luxembourg authorities, which, upon receipt, will entitle him to work in Luxembourg without any additional approvals. The Employee shall notify the Employer immediately if he ceases to be so-entitled during the Employment. The Employee shall further immediately notify the Employer of his address of residence in Luxembourg.
- (i) The Employee consents to undergo an obligatory medical examination within two months of commencing the Employment in order to verify his physical aptitude to fulfil his obligations under the Employment.
- (j) The Employee shall comply with all the rules, policies and procedures set out in the internal Rules and Regulations, which shall be established over the course of time by the Employer and a copy of which will be made available to the Employee once adopted. Such Rules and Regulations may be modified at any time. In the event of conflict between the terms of this Contract and the terms of the Rules and Regulations, this Contract shall prevail.

**Article 3 — Term of Employment**

- (a) The present Contract shall take effect or be deemed to have taken effect, on the Commencement Date and is concluded for an indefinite period, subject to the terms of this Contract and the Luxembourg Labour Code.
- (b) For the purposes of the following calculations in Article 3, the Employee will be credited with the previous term of employment with Ocwen Financial Corporation, a company

incorporated under the laws of Florida, the United States of America, with registered address at 1661 Worthington Road, West Palm Beach, Florida, 33409, United States of America. The parties hereby acknowledge agree that the Employee's term of employment with Ocwen Financial Corporation began March 2, 2009.

(c) Either Party may terminate this Contract in writing, giving the other no less than the following legal prior notice, in accordance with article L.124-1 of the Luxembourg Labour Code.

In the case of the dismissal of the Employee by the Employer, the latter must respect a minimum prior notice of :

- two (2) months if the term of the Employment is under five (5) years;
- four (4) months if the term of the Employment is between five (5) and ten (10) years;
- six (6) months if the term of the Employment is over ten (10) years.

In the case of the resignation of the Employee, the following prior notice must be given:

- one (1) month if the term of the Employment is under five (5) years;
- two (2) months if the term of the Employment is between five (5) and ten (10) years;
- three (3) months if the term of the Employment is over ten (10) years.

The respective prior notice will run from the fifteenth (15th) day of the month if notice was given before such a date, or from the first (1st) day of the following month if notice was given after the fifteenth (15th) of the month.

(d) In accordance with article L.124-7 of the Luxembourg Labour Code, further redundancy payment of one to twelve months' salary shall be paid by the Employer to the Employee justifying a term of employment of over five years at the end of the notice period, notwithstanding the provisions under article L. 124-7 (3).

(e) Notwithstanding sub (c) and (d) and in accordance with article L.124-10 of the Luxembourg Labour Code, the Employer may terminate the Contract with immediate effect without notice and with no liability to make any further payment to the Employee (other than in respect of amounts accrued due and unpaid at the date of termination) for Cause.

(f) The Contract will automatically terminate by operation of the law on the date on which the Employee is declared to be medically unable to perform his duties under the Contract by the pre-employment, or any subsequent, medical examination; on the fifty-second week of continual Incapacity over any one hundred and four week period; when the Employee reaches the legal retirement age or is attributed an old-age pension or any other of the provisions specified under articles L.125-2 to L.125-4 of the Luxembourg Labour Code. In such an event, the Employer will pay the Employee all standard relocation costs necessary to relocate the Employee to either Atlanta, New York or equivalent in the United States of America at the Employee's sole discretion.

(g) In addition to the minimum notice requirements, under sub (c), should the Employer terminates the Employee's employment for any other reason than for Cause, the Employer shall pay to the Employee a further twelve months' salary and one year's target incentive compensation as well as all standard relocation costs (together with Tax Gross Up)

necessary to relocate the Employee to either Atlanta, New York or equivalent at the Employee's sole discretion. To the extent notice of termination is provided by Employer after October 1<sup>st</sup> of the service year and before incentives are paid for the prior service year, employee will be entitled to receive any incentive earned and vested for the prior service year in addition to the one year's target incentive to be paid hereunder. The amounts paid hereunder will include all redundancy payments as required under sub (d).

- (h) If the Employee provides ninety (90) days notice of Good Reason and the Employer fails to correct such Good Reason within ninety (90) days, the Employee may terminate the Employment immediately. In such an event, and upon termination, the Employer shall pay to the Employee twelve months Target Total Compensation as well as all standard relocation costs (together with Tax Gross Up) to relocate the Employee to either Atlanta, New York or equivalent at the Employee's sole discretion.

#### **Article 4 — Working Hours and Holidays**

- (a) The Employee hereby acknowledges that general working hours or overtime statutory provisions are not applicable to his position as an executive, in accordance with article 16-2 of the law of 30 June 2004 on collective employment relations. Working hours may thus vary according to the Employer's requirements.

- (b) The Employee shall have the right to 25 days of annual paid time off, in addition to the Luxembourg public holidays, notwithstanding article L.233-4 of the Luxembourg Labour Code's provisions. The Employee will accrue paid time off at 2 1/12 days per completed month worked. The Employer's holiday year runs from the 1<sup>st</sup> January to the 31<sup>st</sup> December. For 2009, Employee will receive paid time off accruals outstanding for Ocwen Financial Corporation as of the Commencement Date.

The Employee will respect a reasonable delay between requesting the Employer for leave and taking it, in order to not perturb the functioning of the company. The Employer shall respect the Employee's request to the extent that the request does not perturb the functioning of the company or conflict with other employees' leave.

- (c) The Employee shall take, and the Employer shall allow the Employee to take, his accumulated leave in full before the end of each calendar year, in accordance with articles L.233-9 and L.233-10 of the Luxembourg Labour Code. The Employee may not carry forward more than five (5) days of any accrued or unused holiday entitlement to a subsequent holiday year, nor receive any payment in lieu of such entitlement without the prior consent of the Employer.

#### **Article 5 — Remuneration**

- (a) All payments and allowances to the Employee shall be in euros (EUR). Upon providing notice to the Employer's Chief Accounting Officer prior to the payment thereof, the Employee may elect, (i) to have all or a percentage of his cash incentive payment paid in U.S. Dollars and (ii) to receive any severance payment in U.S. Dollars.

- (b) The Employee's annual gross salary shall be USD 276,000.-, payable in twenty-six instalments of USD 10,615.- less all applicable withholdings — per annum. The Employee's salary is based on a minimum of 40 hours a week. All salary amounts for

2009 shall be converted into Euros prior to payment at the average exchange rate for conversion from US Dollars to Euros for 2009 up to the Commencement Date. Subsequent to 2009, all salary amounts shall be converted into Euros prior to payment at the average exchange rate for conversion from US Dollars to Euros for the prior fiscal year.

- (c) The Employee's salary shall accrue from day to day and be payable in arrears bi-weekly into the Employee's bank account. The Employee shall inform the Employer of all necessary details relating thereto.
- (d) The Employer hereby informs the Employee that in order to fulfil the obligations under the employment contract and to pay his salary, the following information about the Employee may be transmitted: name, address, civil status, date of birth, any documents given during the employment proceedings (including the *curriculum vitae*), the employment agreement and salary, proof of payment, all raises or modifications of salary, the hours effectively worked, any correspondence with the employees as well as all other documents relating to the employment contract (such as holiday requests or Incapacity certificates), in accordance with articles 26 and 28 of the 2002 Personal Data Law, as amended.

The Employee is permitted to access the above information and may demand the rectification of any error thereupon.
- (e) The Employee's salary shall be reviewed by the Board annually, the first such review to take place in January 2010. The Employer is under no obligation to award an increase following a salary review. There will be no review of the salary after notice has been given by either Party to terminate the Employment.
- (f) Upon satisfaction of the relevant performance criteria, the Employee may be entitled to an annual incentive in the target amount of USD 184,000.-. The objective criteria to taken into account to award such incentives for 2009 and thereafter include the criteria detailed in the Employee's Scorecard to be approved by the Compensation Committee annually.
- (g) The Employer may introduce further benefits for employees, such as health care and contributory pensions. Any invitation to participate in such benefits will be issued by the Board as and when any such benefits are implemented, on a non-discriminatory basis to all or to objectively determined sections of employees. This clause shall not entitle the Employee to participate in any such benefit unless so entitled by his position in the above criteria. It is intended that the Employee may benefit from similar benefits to those received in his role as Chief Financial Officer at Ocwen Solutions.
- (h) The salary, incentive and other benefits of the Employee shall be payable after deduction of all compulsory contributions to the social security system (if applicable) in existence in Luxembourg and after deduction of the retentions at source of income tax (if applicable) and, should the case arise, any other charges imposed by Luxembourg Law.

#### **Article 6 — Expenses**

- (a) The Employer shall reimburse (or procure the reimbursement of) all reasonable expenses, (to the extent that such expenses are compliant with the Employer's Travel and

Entertainment Expense Policy), wholly, properly and necessarily incurred by the Employee in the course of the Employment, subject to production of receipts or other appropriate evidence of payment.

- (b) The Employee shall abide by the Employer's policies on expenses as communicated to the Employee.
- (c) Any credit card supplied to the Employee by the Employer shall be used only for expenses incurred in the course of the Employment.

**Article 7 — Incapacity**

- (a) The Employee who is incapable of working for any reason of illness or accident shall notify the Employer or his representative on the first day of Incapacity, either personally or by way of an intermediary. Such notification may be made orally or in writing.
- (b) If the period of Incapacity is over three days, the Employee must present a medical certificate demonstrating his Incapacity by the third day at the latest, in order to benefit from the article L.121-6 of the Luxembourg Labour Code protection from redundancy.
- (c) Subject to the Employee's compliance with the provisions of the Luxembourg Labour Code, he shall continue to receive his full salary and contractual benefits (if any) during any period of absence due to Incapacity up to the last day of the within which the aggregate seventy-seventh day of Incapacity falls during any fifty-two week period. Such payment shall be inclusive of any statutory sick pay due in accordance with applicable legislation at the time of absence, in compliance with article L.121-6 of the Luxembourg Labour Code.
- (d) If the Employee has fulfilled his legal obligations under L.121-6 of the Luxembourg Labour Code, the Employer may not terminate the Employment for a period of twenty-six weeks by giving the notice specified in clause 3.b.
- (e) To the extent the Employment is terminated due to Incapacity in accordance with article L. 121-6(5), the Employer will pay all standard relocation costs (together with Tax Gross Up) to relocate the Employee to either Atlanta, New York or equivalent at the Employee's sole discretion.

**Article 8 — Confidential Information and Restrictive Covenants**

- (a) The Employee shall treat as confidential all information concerning the activities of the Employer, and he shall not disclose to third parties, or to other employees, any information of which he may have been made aware during the present Contract, notwithstanding that which is reasonably necessary to permit normal performance or their respective duties by the parties concerned.
- (b) All notes, reports, listings, files, documents, and contacts whatsoever related to the Employer are and shall remain the exclusive property of the Employer and shall be created, processed, and stored by the Employee in a confidential manner exclusively on behalf of the Employer.

When the present Contract shall come to an end, the Employee must return to the Employer all documents as well as copies of such documents which may be in the possession of or under the control of the Employee, and the Employee undertakes to do everything to assist the Employer to recover all documents which may be beyond the control of the Employee.

- (c) Simultaneously to the signing of the present Contract, the Parties acknowledge they are executing the Altisource Employee Intellectual Property Agreement in substantially the same form of that which is appended hereto as Exhibit B.
- (d) Following the valid termination of the Employment, the Employee hereby expressly agrees to refrain from setting up his own company, or setting himself up as a freelancer, in any directly or indirectly competing field with the Employer's activities including but not limited to any residential mortgage related services, residential mortgage related outsourcing services, receivables management outsourcing services and the sale of mortgage related technology products in Luxembourg for a period of one (1) year.
- (e) The Employee hereby acknowledges that during his time of Employment he has been and will be provided with access to confidential information and to Employer's clients, customers and others with whom the Employer has formed valuable business arrangements. The Employee hereby agrees that he will not: (i) for a period of one (1) year following the date of termination of this Contract, solicit any of Employer's clients or take any other action that would interfere with, diminish or impair the relationships that the Employer has with its clients, customers and others with which the Employer has business relationships or to which services are rendered; (ii) hire, recruit, solicit for employment or induce to terminate the Employer's employment of any person (natural or otherwise) who is or who becomes an employee of the Employer; or (iii) assist with others engaging in any of the foregoing.

#### Article 9 — Miscellaneous

- (a) The Parties hereby expressly agree to reexecute the Contract within thirty (30) days subsequent to the distribution date of Employer's Parent Company, in order to amend it to include the actual Commencement date and the Employee's address in Luxembourg.
- (b) All notices and other communications provided for hereunder shall be in English and in writing, delivered by hand or by registered or certified mail (return receipt requested) and delivered or addressed to the addressee at its address below (or any other address it may subsequently notify in writing to the other Party):

if to the Employer, to:

Address: **Altisource Solutions S.à r.l.**,  
2-8, avenue Charles de Gaulle, L-1653 Luxembourg  
Attention: The Chief Executive Officer

if to the Employee, to:

Address: 510 West 52<sup>nd</sup> Street, apt PH1B, New York, 10019, United States of America (until the Employer has been informed of the Employee's Luxembourg address)

Attention: Mr. Robert Daniel Stiles

Each time the Employee's address is changed, notice shall be given to the Employer and at such time all notices are required be sent to the new address. The foregoing notwithstanding, and for the avoidance of doubt the parties may meet the notice requirements hereunder by hand delivering to the other party.

- (c) The date on which a notice shall be deemed validly given shall be the date of its receipt by the addressee, i.e. the date appearing on the acknowledgment or refusal of receipt or the addressee's countersignature.
- (d) No amendment or waiver of any provision of this Contract, nor consent to or departure by either Party therefrom, nor any subsidiary agreement relating to the subject matter of this Contract, shall in any event be valid unless it is in writing and signed by or on behalf of both Parties.
- (e) The Employee is hereby prohibited from exercising all other professional employment activity during the term of the Contract and in addition to the Employment, without prior written consent from the Employer.
- (f) Each Party of behalf of itself acknowledges and agrees with the other Party that (i) this Contract, together with any documents referred to in it, constitute the entire agreement and understanding between the Employee and the Employer, superseding any prior agreement relating to the Employment (ii) that by entering into this Contract neither Party has relied on any Pre-Contractual Statement and (iii) that other than remedy for breach of Contract under the terms of the present Contract no Party shall have any right of action against the other Party in respect of any Pre-Contractual Statement.
- (g) Nothing in this Contract shall operate to limit or to exclude any liability for fraud.

#### **Article 9 — Governing Law and Jurisdiction**

The present Contract shall be governed, interpreted and performed by and in accordance with the law in force in the Grand-Duchy of Luxembourg. Each Party expressly agrees to submit to the exclusive jurisdiction of the Courts of Luxembourg over any claim or matter arising under or in connection with this Contract.

In witness whereof the present Contract has been signed in duplicate on [DATE] 2009 and each of the Parties acknowledges having received one original version.

#### **The Employer**

Altisource Solutions S.à r.l.

---

[NAME]  
[FUNCTION]

**The Employee**  
Mr. Robert Daniel Stiles

---

Exhibit A : Altisource Employee Intellectual Property Agreement



EXHIBIT A

# Altisource™

EMPLOYEE INTELLECTUAL PROPERTY AGREEMENT

This AGREEMENT made by and between ALTISOURCE SOLUTIONS S.à r.l., a private limited liability company organized under the laws of the Grand Duchy of Luxembourg, having a place of business at 2, rue Jean Bertholet L-1233,Luxembourg (together with its parent company, Altisource Portfolio Solutions, S.A., and each of its parent company's subsidiaries, affiliates or related companies "Altisource"), and

---

(Name of Employee)

(Social Security Number)

In consideration for my employment by Altisource, and the wages or salary and other employee benefits in compensation for my services, I agree that:

1. I will not disclose or induce Altisource or companies which it owns or controls to use confidential information or trade secrets of others, unless authorized by the owner.
2. During my employment with Altisource and thereafter, I will treat all Confidential Information as secret and confidential and I will never use or disclose or authorize anyone else to use or disclose such Confidential Information except as is expressly permitted by Altisource in performance of my designated duties to Altisource. I will diligently protect all Confidential Information against loss by inadvertent or unauthorized use or disclosure.
3. Since I have no right to use Confidential Information after termination of my employment with Altisource, in addition to other rights or remedies Altisource may have, Altisource shall have a perpetual, royalty-free, nonexclusive license to fully utilize for any purpose all inventions, computer programs and copyright works made, conceived, or authored by me, alone or jointly with others, related to work I performed during my employment with Altisource, and which utilizes Confidential Information.  
  
All Developments are the property of Altisource and deemed works made for hire, to the extent applicable. To the extent any Developments and the rights therein do not become the property of Altisource by operation of law, I hereby assign to Altisource all my rights to such Developments in all countries as of the time such rights arise.
4. For the purpose of this Agreement, the following words shall have the following meanings:
  - a. "Confidential Information" means information which is disclosed to me, known by me, or generated by me as a consequence of or related to my employment with Altisource, which is not generally known outside Altisource, and which relates to Altisource's business. "Confidential Information" is intended to include, but is not limited to, trade secrets,

# Altisource<sup>TM</sup>

inventions, processes, formulas, systems, computer programs, plans, programs, studies, techniques and business information.

- b. "Developments" means all inventions, whether or not patentable, Confidential Information, computer programs, copyright works, algorithms, processes, trademarks and other intellectual property, made, conceived, or authored by me, alone or jointly with others, while employed by Altisource, whether or not during normal business hours or on Altisource premises, that are within the existing or contemplated scope of Altisource's business or of companies which it owns or controls at the time such Developments are made, conceived, or authored or which result from or are suggested by any work I or others may do for or on behalf of Altisource or such companies.
  5. I have these rights. No provision in this Agreement is intended to require assignment of any of my rights in an invention for which I can prove no equipment, supplies, facilities, or trade secret information of Altisource was used and was developed entirely on my own time; and which I can prove (1) does not relate to the business of Altisource or to the actual or demonstrably anticipated research or development of Altisource; and (2) does not result from any work performed by me for Altisource.
  6. I will promptly submit to Altisource written disclosures of all inventions, whether or not patentable, which are made or conceived by me, alone or jointly with others, while I am employed by Altisource.
  7. Upon request by Altisource, at any time during my employment with Altisource and thereafter, I will:
    - a. submit to Altisource written disclosures of all intellectual property made, conceived, or authored, by me, alone or jointly with others, while employed by Altisource; and
    - b. provide proper assistance and execute all papers deemed by Altisource to be necessary to effectuate the intentions of the parties expressed in this Agreement and to develop and preserve legal protection for all Developments in the name of Altisource.
  8. All written materials and other tangible objects, including copies, made or compiled by me or made available to me in the course of my employment, shall be the property of Altisource and shall be delivered to Altisource upon termination of my employment or at any other time upon request.
  9. The laws of the Grand Duchy of Luxembourg will govern the interpretation, validity and effect of this Agreement without regard to its place of execution or its place of performance. Should I violate this Agreement, inadvertently or otherwise, I acknowledge that irreparable harm will result to Altisource, and that Altisource shall be entitled to any remedy, legal or equitable, to correct any harm which results from such violation.
  10. This Agreement may not be superseded, amended, or modified except by a written agreement signed by me and any of the president, the chief financial officer or the general counsel of Altisource.
-

# Altisource<sup>TM</sup>

11. If any provision of this Agreement is held to be unenforceable for any reason, it shall be conformed to prevailing law rather than voided, if possible, in order to achieve the intent of the parties to the extent possible. In any event, all other provisions of this Agreement shall be deemed valid and enforceable to the fullest extent possible.

If Altisource decides not to exercise any of its rights under this Agreement or to take no action, against any violation, such decision shall not affect the exercise of such right or taking of any action at another time.

12. There is no agreement or restriction which prevents the performance of my duties under this Agreement, except an agreement with \_\_\_\_\_, a copy of which is attached hereto. (If there is none, insert "no exception.")

I acknowledge that I have read and that I understand this Agreement. I understand that to the extent applicable it remains in effect following my employment with Altisource. I also understand this Agreement is legally binding upon me and upon my heirs and it may be transferred by Altisource to any of its successors or assigns.

By: \_\_\_\_\_

Date: \_\_\_\_\_

Accepted by Altisource:

By: \_\_\_\_\_

Date: \_\_\_\_\_

DATED  
[DATE]  
EMPLOYMENT CONTRACT  
BETWEEN  
ALTISOURCE SOLUTIONS S.à r.l.  
AND  
MR. KEVIN JAMES WILCOX

---

Dated: [DATE]

## EMPLOYMENT CONTRACT

### BY AND BETWEEN:

1. **Altisource Solutions S.à r.l.**, a private limited liability company (*société à responsabilité limitée*) incorporated under the laws of the Grand Duchy of Luxembourg, with a share capital of USD 20,000.-, having its registered office at 2-8, avenue Charles de Gaulle, L-1653 Luxembourg, not yet registered with the Luxembourg Trade and Companies Register (hereinafter referred to as “the **Employer**”);
- and
2. **Mr. Kevin James Wilcox**, born on 13 March 1964 in Perth Amboy, New Jersey, United States of America, currently residing at 250, Somerset Court, Atlanta, GA 30350, United States of America, prior to relocation to an address in Luxembourg (hereinafter referred to as “the **Employee**”);

The Employee and the Employer may hereinafter collectively be referred to as the “**Parties**”, each being a “**Party**”.

The present contract is signed for an unlimited period of time, in accordance with the provisions of the Luxembourg Labour Code, under the following conditions agreed by and between the Parties:

### Article 1 — Definitions and interpretations:

- (a) The definitions and rules of interpretation of this clause apply to this Contract.

**Board** : the board of directors of the Employer or of Altisource Portfolio Solutions S.A. (including any committee of the Board or any individual duly appointed by it);

**Cause** : in accordance with article L.124-10 of the Luxembourg labour code, Cause is held to include (i) wilful misconduct by the Employee with regard to the Employer which has a material adverse effect on the Employer and which is not cured within thirty (30) days of receipt of a written notice from the Board or from the Chief Executive Officer which specifically identifies such purported misconduct by the Employee; (ii) the wilful refusal of Executive to attempt to follow the proper direction of the Board or from the Chief Executive Officer which is not cured within thirty (30) days of receipt of a written notice from the Board or from the Chief Executive Officer which specifically identifies such purported failure by Employee, provided that the foregoing refusal by Employee shall not be “Cause” if such direction is illegal, unethical or immoral and Employee promptly so notifies the Board or the Chief Executive Officer (whichever is applicable); (iii) material and continuing wilful failure by Employee to perform the duties required of him under the present Contract (other than any such failure resulting from incapacity due to physical or mental illness) which is not cured within thirty (30) days of receipt of a written demand for substantial performance from the Board or from the Chief Executive Officer which specifically identifies the manner in which it is believed that Employee has

substantially and continually refused to attempt to perform his duties hereunder; (iv) the Employee being convicted of a felony; (v) a material breach of this Contract, which is not cured within thirty (30) days of receipt of a written notice of such breach from the Board or from the Chief Executive Officer specifically identifying the manner in which it is believed that Employee has materially breached this Contract, or (vi) drunkenness or the possession of narcotics on Employer's property, wilful and material damage to Employer's property or repeated and material violations of Employer's policies, provided that such violations have not been cured within thirty (30) days of receipt of written notice which specifically identifies the policies at issue. For purposes of this paragraph, no act, or failure to act, on Employee's part shall be considered "wilful" unless done, or omitted to be done, by him not in good faith and without reasonable belief that his action or omission was in the best interests of the Employer;

**Commencement Date** : the first Monday, two weeks after the date of distribution of the Employer's Parent Company (in accordance with article 9 (a));

**Confidential Information** : information (of any nature and in any format) which is not in the public domain, relating to the business, products, affairs and finances of the Employer;

**Contract** : the present unlimited period employment contract;

**Employment** : the employment of the Employee by the Employer on the terms of this Contract;

**Good Reason** : the occurrence or failure to cause the occurrence, as the case may be, without Employee's express written consent of any of the following circumstances: (i) any substantial unreasonable material diminution of Employee's positions, duties or responsibilities hereunder (except in each case in connection with the termination of Employee's employment for Cause or disability or as a result of Employee's death, or temporarily as a result of Employee's illness or other absence), or, the assignment to Employee of duties or responsibilities that are inconsistent with Employee's position; (ii) removal of, or the non re-election of the Employee from executive positions with the Employer or its Parent Company without election to a higher position or removal of Employee from any of his executive positions; (iii) a failure by the Employer to continue any incentive plan, programme or arrangement in which Employee is entitled to participate (the "Incentive Plans"), provided that any such Incentive Plans may be modified at the Employer's discretion from time to time; (iv) any material breach by the Employer of any provision of this Agreement; (v) failure of any successor to the Employer or to the Parent Company (whether direct or indirect and whether by merger, acquisition, consolidation or otherwise) to assume the obligations of the Employer hereunder in a writing delivered to Employee upon the assignee becoming the successor;

**Tax Gross Up** : all amounts necessary to reimburse Employee for taxes required to be paid by Employee for applicable benefits paid hereunder;

**Incapacity** : any illness or injury which prevents the Employee from carrying out his duties;

**Parent Company** : Altisource Portfolio Solutions S.A., a public limited liability company (*société anonyme*), incorporated under the laws of the Grand Duchy of Luxembourg, with a share capital of USD 9,341,907.-, having its registered office at 2-8, avenue Charles de Gaulle, L-1653 Luxembourg, registered with the Luxembourg Trade and Companies Register under number B 72 391;

**Pre-Contractual Statement** : any undertaking, promise, assurance, statement, representation, warranty or understanding (whether in writing or not) of any person (whether party to this Contract or not) relating to the Employee's employment under this Contract which is not expressly set out in this Contract or any documents referred to in it;

**Rules and Regulations** : any internal rules, regulations, policies or procedures which may be periodically prepared by the Employer and which apply to all its employees including the Employee;

**Subsidiaries** : all present and future subsidiaries of the Employer or the Parent Company;

**Target Total Compensation** : annual gross salary together with annual target incentive; and

**Travel and Entertainment Expense policy** : Employer's policy on travel and entertainment expenses, as may be amended from time to time. The Employee hereby affirms that he has seen and approved the policy and possesses a copy.

- (b) Any reference to a particular law is a reference to the said law as it is in force at that time, taking any amendment, extension or re-enactment into account and including any subordinate legislation made under it.
- (c) A reference to one gender includes reference to the other gender.

#### **Article 2 — Duties and Nature of Service**

- (a) The Employer shall employ the Employee and the Employee shall serve the Employer as from the Commencement Date to fulfill the position of Chief Administration Officer and General Counsel. As such, the Employee will execute tasks including, but not limited to, (i) supervising all administrative matters for the Employer, Parent company and Subsidiaries, including all legal and corporate services, human resources and vendor management operations (ii) promptly reporting to the Chief Executive Officer or to the Board in connection with the above referenced operations of the Employer on such matters and at such times as are reasonably required and (iii) directly assisting the Chief Executive Officer on all strategic and tactical matters.
- (b) During the Employment the Employee shall (i) unless prevented by Incapacity, devote the whole of his time, attention and abilities to the business of the Employer, (ii) diligently exercise such powers and perform such duties as may from time to time be assigned to him by the Board together with such person or persons as the Board may appoint to act jointly with him, (iii) comply with all reasonable and lawful directions given to him by the Board and (iv) use his best endeavours to promote, protect, develop and extend the business of the Employer.

- (c) The Employee shall serve the Employer on the terms of this Contract and accepts the aforementioned position. The Employee shall work for the Employer in this position or in any other similar position, which the Employer may assign to him over the course of time.
- (d) The Employment will take place in such various addresses, as may be reasonably designated by the Employer. The Employee consents that the geographical location of the Employment is not a substantive clause of this Contract. The head office of the Employer is located at 2-8, avenue Charles de Gaulle, L-1653, Luxembourg. However if the head office is relocated to over thirty miles away from its original address, the Employer agrees to pay all standard relocation costs.
- (e) The Employee agrees to travel on the Employer's business (both within Luxembourg and abroad) as may be reasonably required for the proper performance of the duties under the Employment. During the Employment the Employee may be required to work outside Luxembourg for a continuous period of more than one (1) month. In such an event, the Employer will provide the Employee with the following information before he leaves : (i) the length of time required abroad; (ii) the currency of salary (if applicable); (iii) any monetary benefits or benefits in kind due (if applicable); and (iv) any repatriation conditions (if applicable).
- (f) The Employee expressly confirms that he is not bound to any other company, firm or entity by a non-competition or any other such clause which would prevent him from signing the present Contract.
- (g) The Employee shall undertake to inform the Employer immediately in writing of any relevant change in the Employee's personal situation such as his address. The Employer shall treat all such information confidentially.
- (h) The Employee warrants that he is currently applying for the necessary administrative work and residence permits with the relevant Luxembourg authorities, which, upon receipt, will entitle him to work in Luxembourg without any additional approvals. The Employee shall notify the Employer immediately if he ceases to be so-entitled during the Employment. The Employee shall further immediately notify the Employer of his address of residence in Luxembourg.
- (i) The Employee consents to undergo an obligatory medical examination within two months of commencing the Employment in order to verify his physical aptitude to fulfil his obligations under the Employment.
- (j) The Employee shall comply with all the rules, policies and procedures set out in the internal Rules and Regulations, which shall be established over the course of time by the Employer and a copy of which will be made available to the Employee once adopted. Such Rules and Regulations may be modified at any time. In the event of conflict between the terms of this Contract and the terms of the Rules and Regulations, this Contract shall prevail.

**Article 3 — Term of Employment**



- (a) The present Contract shall take effect or be deemed to have taken effect, on the Commencement Date and is concluded for an indefinite period, subject to the terms of this Contract and the Luxembourg Labour Code.
- (b) For the purposes of the following calculations in Article 3, the Employee will be credited with the previous term of employment with Ocwen Financial Corporation, a company incorporated under the laws of Florida, the United States of America, with registered address at 1661 Worthington Road, West Palm Beach, Florida, 33409, United States of America. The parties hereby acknowledge agree that the Employee's term of employment with Ocwen Financial Corporation is eleven (11) years.
- (c) Either Party may terminate this Contract in writing, giving the other no less than the following legal prior notice, in accordance with article L.124-1 of the Luxembourg Labour Code.

In the case of the dismissal of the Employee by the Employer, the latter must respect a minimum prior notice of :

- two (2) months if the term of the Employment is under five (5) years;
- four (4) months if the term of the Employment is between five (5) and ten (10) years;
- six (6) months if the term of the Employment is over ten (10) years.

In the case of the resignation of the Employee, the following prior notice must be given:

- one (1) month if the term of the Employment is under five (5) years;
- two (2) months if the term of the Employment is between five (5) and ten (10) years;
- three (3) months if the term of the Employment is over ten (10) years.

The respective prior notice will run from the fifteenth (15th) day of the month if notice was given before such a date, or from the first (1st) day of the following month if notice was given after the fifteenth (15th) of the month.

- (d) In accordance with article L.124-7 of the Luxembourg Labour Code, further redundancy payment of one to twelve months' salary shall be paid by the Employer to the Employee justifying a term of employment of over five years at the end of the notice period, notwithstanding the provisions under article L. 124-7 (3).
- (e) Notwithstanding sub (c) and (d) and in accordance with article L.124-10 of the Luxembourg Labour Code, the Employer may terminate the Contract with immediate effect without notice and with no liability to make any further payment to the Employee (other than in respect of amounts accrued due and unpaid at the date of termination) for Cause.
- (f) The Contract will automatically terminate by operation of the law on the date on which the Employee is declared to be medically unable to perform his duties under the Contract by the pre-employment, or any subsequent, medical examination; on the fifty-second week of continual Incapacity over any one hundred and four week period; when the Employee reaches the legal retirement age or is attributed an old-age pension or any other of the provisions specified under articles L.125-2 to L.125-4 of the Luxembourg Labour Code. In such an event, the Employer will pay the Employee all standard relocation costs

necessary to relocate the Employee to Atlanta, South Florida or equivalent in the United States of America at the Employee's sole discretion.

- (g) In addition to the minimum notice requirements, under sub (c), should the Employer terminate the Employee's employment for any reason other than for Cause, the Employer shall pay to the Employee a further twelve months' salary and one year's target incentive compensation as well as all standard relocation costs (together with Tax Gross Up) necessary to relocate the Employee to either Atlanta, South Florida or equivalent at the Employee's sole discretion. To the extent notice of termination is provided by Employer after October 1<sup>st</sup> of the service year and before incentives are paid for the prior service year, employee will be entitled to receive any incentive earned and vested for the prior service year in addition to the one year's target incentive to be paid hereunder. The amounts paid hereunder will include all redundancy payments as required under sub (d).
- (h) If the Employee provides ninety (90) days notice of Good Reason and the Employer fails to correct such Good Reason within ninety (90) days, the Employee may terminate the Employment immediately. In such an event, and upon termination, the Employer shall pay to the Employee twelve months Target Total Compensation as well as all standard relocation costs (together with Tax Gross Up) to relocate the Employee to either Atlanta, South Florida or equivalent at the Employee's sole discretion.

#### **Article 4 — Working Hours and Holidays**

- (a) The Employee hereby acknowledges that general working hours or overtime statutory provisions are not applicable to his position as an executive, in accordance with article 16-2 of the law of 30 June 2004 on collective employment relations. Working hours may thus vary according to the Employer's requirements.
- (b) The Employee shall have the right to 25 days of annual paid time off, in addition to the Luxembourg public holidays, notwithstanding article L.233-4 of the Luxembourg Labour Code's provisions. The Employer's holiday year runs from the 1<sup>st</sup> January to the 31<sup>st</sup> December. The Employee will accrue paid time off at 2 1/12 days per completed month worked. For 2009, Employee will receive paid time off accruals outstanding for Ocwen Financial Corporation as of the Commencement Date.  
  
The Employee will respect a reasonable delay between requesting the Employer for leave and taking it, in order to not perturb the functioning of the company. The Employer shall respect the Employee's request to the extent that the request does not perturb the functioning of the company or conflict with other employees' leave.
- (c) The Employee shall take, and the Employer shall allow the Employee to take, his accumulated leave in full before the end of each calendar year, in accordance with articles L.233-9 and L.233-10 of the Luxembourg Labour Code. The Employee may not carry forward more than five (5) days of any accrued or unused holiday entitlement to a subsequent holiday year, nor receive any payment in lieu of such entitlement without the prior consent of the Employer.

#### **Article 5 — Remuneration**

- (a) All payments and allowances to the Employee shall be in euros (EUR). Upon providing notice to the Employer's Chief Financial Officer prior to the payment thereof, the Employee may elect, (i) to have all or a percentage of his cash incentive payment paid in U.S. Dollars and (ii) to receive any severance payment in U.S. Dollars.
- (b) The Employee's annual gross salary shall be USD 364,000.-, payable in twenty-six instalments of USD 14,000.- less all applicable withholdings- per annum. The Employee's salary is based on a minimum of 40 hours a week. All salary amounts for 2009 shall be converted into Euros prior to payment at the average exchange rate for conversion from US Dollars to Euros for 2009 up to the Commencement Date. Subsequent to 2009, all salary amounts shall be converted into Euros prior to payment at the average exchange rate for conversion from US Dollars to euros for the prior fiscal year.
- (c) The Employee's salary shall accrue from day to day and be payable in arrears bi-weekly into the Employee's bank account. The Employee shall inform the Employer of all necessary details relating thereto.
- (d) The Employer hereby informs the Employee that in order to fulfil the obligations under the employment contract and to pay his salary, the following information about the Employee may be transmitted: name, address, civil status, date of birth, any documents given during the employment proceedings (including the *curriculum vitae*), the employment agreement and salary, proof of payment, all raises or modifications of salary, the hours effectively worked, any correspondence with the employees as well as all other documents relating to the employment contract (such as holiday requests or Incapacity certificates), in accordance with articles 26 and 28 of the 2002 Personal Data Law, as amended.  
The Employee is permitted to access the above information and may demand the rectification of any error thereupon.
- (e) The Employee's salary shall be reviewed by the Board annually, the first such review to take place in January 2010. The Employer is under no obligation to award an increase following a salary review. There will be no review of the salary after notice has been given by either Party to terminate the Employment.
- (f) Upon satisfaction of the relevant performance criteria, the Employee may be entitled to an annual incentive in the target amount of USD 364,000.-. The objective criteria to taken into account to award such incentives for 2009 and thereafter include the criteria detailed in the Employee's Scorecard to be approved by the Compensation Committee annually.
- (g) The Employer may introduce further benefits for employees, such as health care and contributory pensions. Any invitation to participate in such benefits will be issued by the Board as and when any such benefits are implemented, on a non-discriminatory basis to all or to objectively determined sections of employees. This clause shall not entitle the Employee to participate in any such benefit unless so entitled by his position in the above criteria. It is intended that the Employee may benefit from similar benefits to those received in his role as Chief Administration Officer at Ocwen Financial Corporation.
- (h) The salary, incentive and other benefits of the Employee shall be payable after deduction of all compulsory contributions to the social security system (if applicable) in existence in

Luxembourg and after deduction of the retentions at source of income tax (if applicable) and, should the case arise, any other charges imposed by Luxembourg Law.

**Article 6 — Expenses**

- (a) The Employer shall reimburse (or procure the reimbursement of) all reasonable expenses, (to the extent that such expenses are compliant with the Employer's Travel and Entertainment Expense Policy), wholly, properly and necessarily incurred by the Employee in the course of the Employment, subject to production of receipts or other appropriate evidence of payment.
- (b) The Employee shall abide by the Employer's policies on expenses as communicated to the Employee.
- (c) Any credit card supplied to the Employee by the Employer shall be used only for expenses incurred in the course of the Employment.

**Article 7 — Incapacity**

- (a) The Employee who is incapable of working for any reason of illness or accident shall notify the Employer or his representative on the first day of Incapacity, either personally or by way of an intermediary. Such notification may be made orally or in writing.
- (b) If the period of Incapacity is over three days, the Employee must present a medical certificate demonstrating his Incapacity by the third day at the latest, in order to benefit from the article L.121-6 of the Luxembourg Labour Code protection from redundancy.
- (c) Subject to the Employee's compliance with the provisions of the Luxembourg Labour Code, he shall continue to receive his full salary and contractual benefits (if any) during any period of absence due to Incapacity up to the last day of the within which the aggregate seventy-seventh day of Incapacity falls during any fifty-two week period. Such payment shall be inclusive of any statutory sick pay due in accordance with applicable legislation at the time of absence, in compliance with article L.121-6 of the Luxembourg Labour Code.
- (d) If the Employee has fulfilled his legal obligations under L.121-6 of the Luxembourg Labour Code, the Employer may not terminate the Employment for a period of twenty-six weeks by giving the notice specified in clause 3.b.
- (e) To the extent the Employment is terminated due to Incapacity in accordance with article L. 121-6(5), the Employer will pay all standard relocation costs (together with Tax Gross Up) to relocate the Employee to either Atlanta, South Florida or equivalent at the Employee's sole discretion.

**Article 8 — Confidential Information and Restrictive Covenants**

- (a) The Employee shall treat as confidential all information concerning the activities of the Employer, and he shall not disclose to third parties, or to other employees, any information of which he may have been made aware during the present Contract,

notwithstanding that which is reasonably necessary to permit normal performance or their respective duties by the parties concerned.

- (b) All notes, reports, listings, files, documents, and contacts whatsoever related to the Employer are and shall remain the exclusive property of the Employer and shall be created, processed, and stored by the Employee in a confidential manner exclusively on behalf of the Employer.

When the present Contract shall come to an end, the Employee must return to the Employer all documents as well as copies of such documents which may be in the possession of or under the control of the Employee, and the Employee undertakes to do everything to assist the Employer to recover all documents which may be beyond the control of the Employee.

- (c) Simultaneously to the signing of the present Contract, the Parties acknowledge they are executing the Altisource Employee Intellectual Property Agreement in substantially the same form of that which is appended hereto as exhibit B.
- (d) Following the valid termination of the Employment, the Employee hereby expressly agrees to refrain from setting up his own company, or setting himself up as a freelancer, in any directly or indirectly competing field with the Employer's activities including but not limited to any residential mortgage related services, residential mortgage related outsourcing services, receivables management outsourcing services and the sale of mortgage related technology products in Luxembourg for a period of one (1) year.
- (e) The Employee hereby acknowledges that during his time of Employment he has been and will be provided with access to confidential information and to Employer's clients, customers and others with whom the Employer has formed valuable business arrangements. The Employee hereby agrees that he will not: (i) for a period of one (1) year following the date of termination of this Contract, solicit any of Employer's clients or take any other action that would interfere with, diminish or impair the relationships that the Employer has with its clients, customers and others with which the Employer has business relationships or to which services are rendered; (ii) hire, recruit, solicit for employment or induce to terminate the Employer's employment of any person (natural or otherwise) who is or who becomes an employee of the Employer; or (iii) assist with others engaging in any of the foregoing.

#### **Article 9 — Miscellaneous**

- (a) The Parties hereby expressly agree to reexecute the Contract within thirty (30) days subsequent to the distribution date of Employer's Parent Company, in order to amend it to include the actual Commencement date and the Employee's address in Luxembourg.
- (b) All notices and other communications provided for hereunder shall be in English and in writing, delivered by hand or by registered or certified mail (return receipt requested) and delivered or addressed to the addressee at its address below (or any other address it may subsequently notify in writing to the other Party):

if to the Employer, to:

Address: **Altisource Solutions S.à r.l.**,  
2-8, avenue Charles de Gaulle, L-1653 Luxembourg  
Attention: The Chief Executive Officer

if to the Employee, to:

Address: 250 Somerset Court, Atlanta, GA 30350, United States of America (until the Employer has been informed of the Employee's Luxembourg address)  
Attention: Mr. Kevin James Wilcox

Each time the Employee's address is changed, notice shall be given to the Employer and at such time all notices are required be sent to the new address. The foregoing notwithstanding, and for the avoidance of doubt the parties may meet the notice requirements hereunder by hand delivering to the other party.

- (c) The date on which a notice shall be deemed validly given shall be the date of its receipt by the addressee, i.e. the date appearing on the acknowledgment or refusal of receipt or the addressee's countersignature.
- (d) No amendment or waiver of any provision of this Contract, nor consent to or departure by either Party therefrom, nor any subsidiary agreement relating to the subject matter of this Contract, shall in any event be valid unless it is in writing and signed by or on behalf of both Parties.
- (e) The Employee is hereby prohibited from exercising all other professional employment activity during the term of the Contract and in addition to the Employment, without prior written consent from the Employer.
- (f) Each Party of behalf of itself acknowledges and agrees with the other Party that (i) this Contract, together with any documents referred to in it, constitute the entire agreement and understanding between the Employee and the Employer, superseding any prior agreement relating to the Employment (ii) that by entering into this Contract neither Party has relied on any Pre-Contractual Statement and (iii) that other than remedy for breach of Contract under the terms of the present Contract no Party shall have any right of action against the other Party in respect of any Pre-Contractual Statement.
- (g) Nothing in this Contract shall operate to limit or to exclude any liability for fraud.

**Article 9 — Governing Law and Jurisdiction**

The present Contract shall be governed, interpreted and performed by and in accordance with the law in force in the Grand-Duchy of Luxembourg. Each Party expressly agrees to submit to the exclusive jurisdiction of the Courts of Luxembourg over any claim or matter arising under or in connection with this Contract.

In witness whereof the present Contract has been signed in duplicate on [DATE] 2009 and each of the Parties acknowledges having received one original version.

**The Employer**

Altisource Solutions S.à r.l.

---

[NAME]  
[FUNCTION]

**The Employee**  
Mr. Kevin James Wilcox

---

Exhibit A : Altisource Employee Intellectual Property Agreement



EXHIBIT A

# Altisource<sup>TM</sup>

EMPLOYEE INTELLECTUAL PROPERTY AGREEMENT

This AGREEMENT made by and between ALTISOURCE SOLUTIONS S.à r.l., a private limited liability company organized under the laws of the Grand Duchy of Luxembourg, having a place of business at 2, rue Jean Bertholet L-1233,Luxembourg (together with its parent company, Altisource Portfolio Solutions, S.A., and each of its parent company's subsidiaries, affiliates or related companies "Altisource"), and

\_\_\_\_\_  
(Name of Employee)

\_\_\_\_\_  
(Social Security Number)

In consideration for my employment by Altisource, and the wages or salary and other employee benefits in compensation for my services, I agree that:

1. I will not disclose or induce Altisource or companies which it owns or controls to use confidential information or trade secrets of others, unless authorized by the owner.
2. During my employment with Altisource and thereafter, I will treat all Confidential Information as secret and confidential and I will never use or disclose or authorize anyone else to use or disclose such Confidential Information except as is expressly permitted by Altisource in performance of my designated duties to Altisource. I will diligently protect all Confidential Information against loss by inadvertent or unauthorized use or disclosure.
3. Since I have no right to use Confidential Information after termination of my employment with Altisource, in addition to other rights or remedies Altisource may have, Altisource shall have a perpetual, royalty-free, nonexclusive license to fully utilize for any purpose all inventions, computer programs and copyright works made, conceived, or authored by me, alone or jointly with others, related to work I performed during my employment with Altisource, and which utilizes Confidential Information.

All Developments are the property of Altisource and deemed works made for hire, to the extent applicable. To the extent any Developments and the rights therein do not become the property of Altisource by operation of law, I hereby assign to Altisource all my rights to such Developments in all countries as of the time such rights arise.

4. For the purpose of this Agreement, the following words shall have the following meanings:

- a. "Confidential Information" means information which is disclosed to me, known by me, or generated by me as a consequence of or related to my employment with Altisource, which is not generally known outside Altisource, and which relates to Altisource's business. "Confidential Information" is intended to include, but is not limited to, trade secrets,

# Altisource<sup>TM</sup>

inventions, processes, formulas, systems, computer programs, plans, programs, studies, techniques and business information.

- b. "Developments" means all inventions, whether or not patentable, Confidential Information, computer programs, copyright works, algorithms, processes, trademarks and other intellectual property, made, conceived, or authored by me, alone or jointly with others, while employed by Altisource, whether or not during normal business hours or on Altisource premises, that are within the existing or contemplated scope of Altisource's business or of companies which it owns or controls at the time such Developments are made, conceived, or authored or which result from or are suggested by any work I or others may do for or on behalf of Altisource or such companies.
  5. I have these rights. No provision in this Agreement is intended to require assignment of any of my rights in an invention for which I can prove no equipment, supplies, facilities, or trade secret information of Altisource was used and was developed entirely on my own time; and which I can prove (1) does not relate to the business of Altisource or to the actual or demonstrably anticipated research or development of Altisource; and (2) does not result from any work performed by me for Altisource.
  6. I will promptly submit to Altisource written disclosures of all inventions, whether or not patentable, which are made or conceived by me, alone or jointly with others, while I am employed by Altisource.
  7. Upon request by Altisource, at any time during my employment with Altisource and thereafter, I will:
    - a. submit to Altisource written disclosures of all intellectual property made, conceived, or authored, by me, alone or jointly with others, while employed by Altisource; and
    - b. provide proper assistance and execute all papers deemed by Altisource to be necessary to effectuate the intentions of the parties expressed in this Agreement and to develop and preserve legal protection for all Developments in the name of Altisource.
  8. All written materials and other tangible objects, including copies, made or compiled by me or made available to me in the course of my employment, shall be the property of Altisource and shall be delivered to Altisource upon termination of my employment or at any other time upon request.
  9. The laws of the Grand Duchy of Luxembourg will govern the interpretation, validity and effect of this Agreement without regard to its place of execution or its place of performance. Should I violate this Agreement, inadvertently or otherwise, I acknowledge that irreparable harm will result to Altisource, and that Altisource shall be entitled to any remedy, legal or equitable, to correct any harm which results from such violation.
  10. This Agreement may not be superseded, amended, or modified except by a written agreement signed by me and any of the president, the chief financial officer or the general counsel of Altisource.
-

# Altisource<sup>TM</sup>

11. If any provision of this Agreement is held to be unenforceable for any reason, it shall be conformed to prevailing law rather than voided, if possible, in order to achieve the intent of the parties to the extent possible. In any event, all other provisions of this Agreement shall be deemed valid and enforceable to the fullest extent possible.

If Altisource decides not to exercise any of its rights under this Agreement or to take no action, against any violation, such decision shall not affect the exercise of such right or taking of any action at another time.

12. There is no agreement or restriction which prevents the performance of my duties under this Agreement, except an agreement with \_\_\_\_\_, a copy of which is attached hereto. (If there is none, insert "no exception.")

I acknowledge that I have read and that I understand this Agreement. I understand that to the extent applicable it remains in effect following my employment with Altisource. I also understand this Agreement is legally binding upon me and upon my heirs and it may be transferred by Altisource to any of its successors or assigns.

By: \_\_\_\_\_

Date: \_\_\_\_\_

Accepted by Altisource:

By: \_\_\_\_\_

Date: \_\_\_\_\_

List of Subsidiaries of Altisource Portfolio Solutions S.A.

Effective as of the Date of the Separation

Subsidiary* Name	Jurisdiction of Organization
Altisource Solutions S.à r.l.	Luxembourg
Altisource Asia Holdings, Ltd.	Mauritius
Altisource Business Solutions Private Limited	India
Altisource US Holdings, Inc.	Delaware
Nationwide Credit, Inc.	Georgia
Altisource Solutions, Inc.	Delaware
Altisource US Data, Inc.	Delaware
Altisource Fulfillment Operations, LLC	Florida
Premium Title Services, Inc.	Florida
Real Home Services and Solutions, Inc.	Florida
Western Progressive Trustee, LLC	Delaware
Portfolio Management Outsourcing Solutions, LLC	Florida
Altisource Outsourcing Solutions S.R.L (99.99% of outstanding stock)	Uruguay
Altisource Holdings, LLC	Delaware
Altisource Outsourcing Solutions S.R.L. (0.01% of outstanding stock)	Uruguay

\* Unless otherwise indicated, 100% of the ownership interests of each Subsidiary is owned by its parent company.



[ ], 2009

Dear Shareholders of Ocwen Financial Corporation:

In November 2008, Ocwen Financial Corporation, which we refer to as Ocwen, announced a plan to separate into two focused companies. To accomplish this, we will consolidate most of the Ocwen Solutions operations into an existing subsidiary, which upon the separation will become a separate public company. After the separation, this new business will conduct its operations as Altisource Portfolio Solutions S.A., which we refer to as Altisource.

Altisource provides a robust suite of real estate mortgage portfolio management and related technology products and asset recovery and customer relationship management services. After the separation, Ocwen will remain committed to providing high quality asset management and loan servicing.

The separation of Altisource is expected to occur on [ ], 2009, subject to certain closing conditions, by way of a pro rata stock distribution to Ocwen shareholders. Each Ocwen shareholder will receive one share of Altisource common stock for every three shares of Ocwen common stock held as of the close of business on [ ], 2009, the record date of the separation.

As a holder of Ocwen common stock, you will automatically receive Altisource common stock unless you sell your Ocwen shares before the Separation Date in the “regular way” market as described in the enclosed information statement. If the number of shares of Ocwen common stock that you own is not a multiple of three, you will receive a cash payment in lieu of any fractional share that you otherwise are entitled to receive. The number of shares of Ocwen common stock that you currently own will not change as a result of the separation. Shareholder approval of the separation is not required and is not being sought. You do not need to take any action or pay any consideration to receive the shares of Altisource in the separation. Please do not send us certificates representing your shares of Ocwen common stock.

The separation is also conditioned upon the receipt of a favorable opinion of counsel confirming the transaction’s tax-free status under Section 355 of the Internal Revenue Code. A transaction that qualifies as a tax-free spin-off under Section 355 of the Internal Revenue Code is not taxable to Ocwen, Altisource or Ocwen shareholders, except to the extent that you receive cash in lieu of fractional shares of Altisource common stock.

Altisource has applied to list its common stock on The NASDAQ Stock Market LLC under the symbol “ASPS.” The common stock of Ocwen will continue to trade on the New York Stock Exchange under the symbol “OCN.”

The enclosed information statement, which is being mailed to all Ocwen shareholders, describes the separation in detail and contains important information about Altisource. We encourage you to read this information statement carefully.

We believe the separation will enable Ocwen and Altisource management to maximize strengths of their respective core businesses. We are proud of what we have built at Ocwen and want to ensure that we continue to capitalize on innovative ideas and business opportunities. This is an exciting time for Ocwen and Altisource and we believe this separation is in the best interest of Ocwen shareholders. We remain committed to working on behalf of you, our shareholders, to build long-term value.

Sincerely,

William C. Erbey  
Chief Executive Officer and Chairman

---

# Altisource

## Portfolio Solutions™

Dear Prospective Shareholders of Altisource Portfolio Solutions:

We look forward to welcoming you as a shareholder of Altisource Portfolio Solutions S.A., which we refer to as Altisource. We believe that our independence will allow us to focus on our core businesses and provides us with the financial and operational flexibility to take advantage of opportunities in the knowledge process outsourcing marketplace. At Altisource, we are committed to enhancing our customers' performance and profitability by automating high value, knowledge-based job functions with cutting edge solutions that improve our performance, resulting in higher quality, faster delivery and increased margins for both ourselves and our customers.

We expect Altisource to become a stand-alone newly-public company on or about [ ], 2009 upon receipt of all required approvals and satisfaction of all other conditions. We anticipate that Altisource's shares will be listed on The NASDAQ Stock Market LLC under the symbol "ASPS." Altisource will include the majority of the operations within Ocwen's Mortgage Services, Financial Services and Technology Products business segments.

I encourage you to learn more about Altisource and the objectives we will pursue as a stand-alone public company by reading the enclosed information statement. It describes the separation in detail including the conditions to the separation.

We look forward to creating long-term shareholder value for you our shareholders.

Sincerely,

William B. Shepro  
Chief Executive Officer

---

Information contained herein is subject to completion or amendment. A Registration Statement on Form 10 relating to these securities has been filed with the Securities and Exchange Commission.

**SUBJECT TO COMPLETION, DATED JUNE [ ], 2009**

**INFORMATION STATEMENT RELATING TO THE DISTRIBUTION OF COMMON STOCK OF**

**ALTISOURCE PORTFOLIO SOLUTIONS S.A.**

**by**

**OCWEN FINANCIAL CORPORATION**

**to Shareholders of Ocwen Financial Corporation**

Ocwen Financial Corporation, which we refer to as Ocwen, has decided to separate its Ocwen Solutions business (the “Restructuring”) and to distribute all of our common stock to Ocwen’s shareholders (the “Distribution”). We refer to the Restructuring and the Distribution collectively as the Separation. Immediately after the Separation is completed, Altisource will be a stand-alone, publicly traded company.

For every three shares of Ocwen common stock, par value \$0.01 per share, which we refer to as Ocwen common stock, that you hold as of the close of business on [ ], 2009, the record date for the Distribution (the “Record Date”), you will receive one share of Altisource common stock, par value \$1.00 per share, which we refer to as Altisource common stock or our common stock. We expect Ocwen to distribute shares of our common stock to Ocwen’s shareholders on or about [ ], 2009 (the “Separation Date”). As discussed more fully in this information statement, if you sell shares of Ocwen common stock in the “regular way” market, and the sale of the shares settles before the Separation Date, you will be selling your right to receive shares of Altisource common stock in the Separation. See “The Separation — Trading Before the Separation Date.”

Because it is not required, we are not requesting that Ocwen shareholders vote on the Separation, and you do not have to take any other action in order to receive shares of Altisource common stock. You will not be required to pay anything for the Altisource common stock or to surrender any of your Ocwen common stock. Please do not send us certificates representing your shares of Ocwen common stock. We are not asking you for a proxy and request that you do not send a proxy.

All of the outstanding shares of our common stock are currently owned by Ocwen. Accordingly, there is no current trading market for our common stock. We expect, however, that a limited trading market for our common stock, known as a “when issued” trading market, will develop two days prior to the Separation date, and we expect “regular way” trading of our common stock will begin the first trading day after the Separation Date. We expect to list the Altisource common stock on The NASDAQ Stock Market LLC under the symbol “ASPS.”

**In reviewing this information statement, you should carefully consider the matters described under the caption “Risk Factors” beginning on page [11].**

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved these securities or determined if this information statement is truthful or complete. Any representation to the contrary is a criminal offense.**

**This information statement does not constitute an offer to sell or the solicitation of an offer to buy any securities.**

The date of this information statement is [ ], 2009.

This information statement was first mailed to Ocwen shareholders on or about [ ], 2009.

## TABLE OF CONTENTS

<a href="#">SUMMARY</a>	1
<a href="#">RISK FACTORS</a>	11
<a href="#">FORWARD-LOOKING STATEMENTS</a>	24
<a href="#">THE SEPARATION</a>	24
<a href="#">RELATIONSHIP BETWEEN OCWEN AND US FOLLOWING THE SEPARATION</a>	34
<a href="#">DIVIDEND POLICY</a>	37
<a href="#">CAPITALIZATION</a>	39
<a href="#">SELECTED FINANCIAL DATA</a>	40
<a href="#">UNAUDITED PRO FORMA FINANCIAL INFORMATION</a>	42
<a href="#">MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS</a>	45
<a href="#">QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK</a>	63
<a href="#">BUSINESS</a>	64
<a href="#">MANAGEMENT</a>	73
<a href="#">EXECUTIVE COMPENSATION</a>	87
<a href="#">COMPENSATION COMMITTEE'S INTERLOCKS AND INSIDER PARTICIPATION</a>	91
<a href="#">BOARD OF DIRECTORS AND CORPORATE GOVERNANCE</a>	91
<a href="#">SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT</a>	95
<a href="#">CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS</a>	96
<a href="#">DESCRIPTION OF CAPITAL STOCK</a>	96
<a href="#">CERTAIN ANTI-TAKE OVER CONSIDERATIONS</a>	97
<a href="#">INDEMNIFICATION OF DIRECTORS AND OFFICERS</a>	98
<a href="#">WHERE YOU CAN FIND MORE INFORMATION</a>	99
<a href="#">INDEX TO FINANCIAL STATEMENTS</a>	F-1

We are furnishing this information statement solely to provide information to Ocwen Financial Corporation shareholders who will receive shares of our common stock in the Separation. It is not and should not be construed as an inducement or encouragement to buy or sell any of our securities or any securities of Ocwen. This information statement describes our business, the relationship between Ocwen and Altisource Portfolio Solutions and how the Separation affects Ocwen and its shareholders, and it provides other information to assist you in evaluating the benefits and risks of holding or disposing of our common stock that you will receive in the Separation. You should be aware of certain risks relating to the Separation, our business and ownership of our common stock, which are described under the heading "Risk Factors."

You should not assume that the information contained in this information statement is accurate as of any date other than the date on the cover. Changes to the information contained in this information statement may occur after that date, and we undertake no obligation to update the information except in the normal course of our public disclosure obligations and practices.

The information statement refers to certain trademarks and service marks, including Altisource Portfolio Solutions, Altisource, the REAL- family of trademarks and service marks, including REALTrans<sup>®</sup>, REALTrans<sup>®</sup> (Stylized and Design), REALSynergy<sup>®</sup>, REALSynergy<sup>®</sup> (Stylized and Design), REALResolution, REALServicing<sup>®</sup>, REALRemit<sup>®</sup>, and REALDoc, Nationwide Credit, Inc. (NCI) and NCI.

---



## SUMMARY

*This summary highlights selected information contained elsewhere in this information statement relating to the separation of Altisource Portfolio Solutions from Ocwen Financial Corporation and the distribution of Altisource common stock by Ocwen Financial Corporation to Ocwen's shareholders. This summary may not contain all of the information that is important to you. To better understand the Separation and Altisource Portfolio Solutions, you should carefully read this entire information statement including the risks described in "Risk Factors" and the combined consolidated financial statements and the notes thereto beginning on page F-1. All financial data and information in this information statement that do not relate to compensation or share data is reported in thousands, unless otherwise indicated.*

*We describe in this information statement the business to be transferred to Altisource Portfolio Solutions in the Separation as if the transferred business were Altisource's business for all historical periods described. We generally intend for references in this information statement to Altisource's historical assets, liabilities, products, business or activities of its business to refer to the historical assets, liabilities, products, business or activities of the transferred business as the business was conducted as part of Ocwen Financial Corporation and its subsidiaries prior to the Separation.*

*In connection with the Separation, an existing Luxembourg subsidiary of Ocwen Financial Corporation, Altisource Portfolio Solutions S.à r.l. (formerly known as Ocwen Luxembourg S.à r.l.) converted to a Luxembourg société anonyme on June 5, 2009 and revised its name accordingly to "Altisource Portfolio Solutions S.A." Except as otherwise indicated or unless the context otherwise requires, "Altisource," "Altisource Portfolio Solutions," "we," "us," "our" and "the Company" refer to Altisource Portfolio Solutions S.A., a Luxembourg public limited company and its subsidiaries; all references to "Ocwen" are to Ocwen Financial Corporation, a Florida corporation, and its subsidiaries.*

### **Why Ocwen Financial Corporation Sent This Document to You**

Ocwen sent this document to you because you are the holder of Ocwen common stock on the Record Date for the distribution of shares of Altisource common stock. On November 18, 2008, Ocwen announced its intention to pursue a plan to consolidate most of the business operations comprising Ocwen's mortgage services business, financial services business and technology products business into an existing Ocwen subsidiary and then separate such subsidiary into a standalone publicly-traded company through a tax-free spin-off. Accordingly, upon consummation of the Separation, you will be entitled to receive one share of Altisource common stock for every three shares of Ocwen common stock that you held on the Record Date. We expect the Separation to occur on or about [            ], 2009.

Shareholder approval of the Separation is not required and is not being sought. No action is required by you in order to participate in this Separation and you do not have to surrender or exchange your shares of Ocwen stock or pay cash or any other consideration to receive your shares of Altisource common stock. The number of shares of Ocwen common stock that you currently own will not change as a result of the Separation.

This information statement describes the business of Altisource, Altisource's relationship with Ocwen and how this transaction affects Ocwen and its shareholders. In addition, it provides other information to assist you in evaluating the benefits and risks of holding or disposing of the Altisource common stock that you will receive in the Separation.

### **Altisource's Business**

Altisource provides real estate and mortgage portfolio management and related technology products and asset recovery and customer relationship management services.

Our competitive advantage is the ability to manage high value, knowledge-based job functions efficiently while reducing operating variability. In general, we utilize integrated technology solutions that include pre-determined call scripts for our customer service personnel based on psychological principles and decision models. We operate our technology platforms to manage large scale distributed networks of vendors. This allows our customers to improve their business processes while reducing costs. Along with expanding our use of integrated

technology solutions, a central tenet to our strategy is a focus on selling output or solutions, thereby enabling us to convert operational efficiency gains into higher margins and profitability per employee.

We conduct portions of our operations in all 50 states and in four additional countries through three reporting segments: Mortgage Services, Financial Services, and Technology Products. For the year ended December 31, 2008, we generated revenues of \$160,363 and net income of \$9,219.

- Our Mortgage Services business includes due diligence, valuation, real estate sales, default processing services, property inspection and preservation services, homeowner outreach, closing and title services and knowledge process outsourcing services. Mortgage Services supports mortgage originators and servicers, insurance companies, hedge funds and commercial banks. Our services span the lifecycle of a mortgage loan from origination services through the disposition of real estate owned properties ("REO"). For the year ended December 31, 2008, this segment generated \$54,956 in revenue;
- Our Financial Services business provides asset recovery and customer relationship management services to the financial services, consumer products, telecommunications and utilities industries. In June 2007, we acquired Nationwide Credit, Inc., referred to as "NCI," a leading accounts receivable and customer relationship management company. NCI is one of the ten largest receivables management companies in the United States as reported in independent third party industry polls conducted in 2007 and 2008. For the year ended December 31, 2008, this segment generated \$73,835 in revenue; and
- Our Technology Products business consists of products and services utilized in the mortgage industry including our REAL suite of applications that provide technology products to serve the needs of servicing and origination businesses. Our offerings include commercial and residential loan servicing and loss mitigation software, vendor management and a patented vouchless payable system and information technology solutions to manage and oversee payments to large-scale vendor networks. For the year ended December 31, 2008, this segment generated \$45,283 in revenue.

For the year ended December 31, 2008, approximately \$41,635 of the Mortgage Services, \$21,435 of the Technology Products and \$1,181 of the Financial Services segment revenues were from services to Ocwen businesses not included in the Separation or services derived from Ocwen's loan servicing portfolio. We consider certain services to be derived from Ocwen's loan servicing portfolio rather than provided to Ocwen because such services are charged to the mortgagee and/or the investor and are not expenses to Ocwen. These services included residential property valuation, residential due diligence, residential fulfillment support services, real estate management and sales, property inspection and preservation, closing and title services, core technology back office support and multiple business technologies including our REAL suite of products. In addition, our 2008 revenues include approximately \$6,600 from third-party customers that utilize our services primarily to optimize their order and payment processes with Ocwen.

Ocwen and Altisource expect to enter into long-term servicing contracts with up to eight year terms (subject to termination rights), pursuant to which Altisource will provide Ocwen with mortgage servicing and technology products services as described above. We also expect to enter into a transition services agreement under which Ocwen will provide to Altisource, and vice versa, certain short-term transition services, such as human resources, vendor management, corporate services, six sigma, quality assurance, quantitative analytics, treasury, accounting, risk management, legal, strategic planning, compliance and other areas. We expect that all services provided pursuant to the long-term service contracts will be based on market rates or otherwise on arms-length terms that are materially consistent with the rates we currently charge to Ocwen for these services. We believe these rates to be market rates as they are consistent with one or more of the following: the fees we charge to other customers for comparable services; the rates Ocwen pays to other service providers; market surveys prepared by unaffiliated firms; and prices being charged by our competitors. We expect that the transition services agreement will be based on fully-allocated costs. These arrangements may involve, or may appear to involve, conflicts of interest. See the

detailed discussion in the “Risk Factors,” “Relationship Between Ocwen and Us Following the Separation,” “Affiliate Relationships and Related Party Transactions” and “Business” sections of this document.

#### **Altisource’s Competitive Strengths**

Altisource’s strengths are:

- *Strong domain expertise.* Altisource focuses on selling process outputs and solutions instead of seats. Process outputs and solutions are the number of units managed on behalf of our client. Seats refer to charging a set rate per outsourced employee or per minute of talk time. For example, in our Mortgage Services business we generally charge for each valuation, property inspection, title search and real estate asset sold. In our Financial Services business, we generally charge a percentage of the amount we collect on delinquent consumer receivables on behalf of our clients. In our Technology Products business, we generally charge our clients based upon the number of the client’s loans processed on the Altisource licensed system, or based on the number of our client’s employees that are using the applicable systems. Unlike a business model that sells all of its services on a per person basis, this allows us to improve our margins as we become more efficient in providing our services.
- *Firmly established.* We are well regarded in the mortgage services and asset recovery management industries and have maintained long-term relationships with our customers.
- *Technology and Process.* By utilizing psychological principles, scripts, decision models and workflow management, we believe that Altisource is able to reduce variability and improve performance resulting in higher quality, faster delivery and increased margins for both ourselves and our customers.
- *Management Team.* We have a cohesive management team with significant experience. Our disciplined recruiting practices include cognitive testing, personality screening and behavioral interviewing for all levels of the Company.

#### **Altisource’s Strategy and Opportunities**

At Altisource, we help our customers through automation of high value, knowledge-based job functions utilizing technology solutions that include psychological principles, scripts, decision models and workflow management. Through automation, we strive to reduce variability and improve our performance resulting in higher quality, faster delivery and increased margins for both ourselves and our customers. Central to our strategy is our focus on selling output or solutions, rather than seats, thereby enabling us to convert operational efficiency gains into higher profitability per employee. Provided below are our business strategies by segment:

- *Mortgage Services.* We believe our Mortgage Services segment is poised to grow its revenue and earnings by providing products and services primarily related to loans in default and real estate serviced and or owned by Ocwen and third parties. Currently, Ocwen pays approximately \$400,000 per year to vendors for various services primarily associated with residential loan servicing and default management for its own use or on behalf of the trusts and investors for which it services. We believe that we will be able to capture additional revenue annually over the next few years from recently launched services including real estate sales, default processing services, property inspection and preservation services, homeowner outreach and title services. After firmly establishing our capabilities in these services for Ocwen, we intend to sell the same services to third parties.
- *Financial Services.* Technology integration, right-sizing U.S. infrastructure, data-driven variability reduction initiatives including scripting based upon psychological principles and focusing on core customers are some of the initiatives we believe will allow us to lower variability, reduce costs, improve margins and provide better performance to current and future customers in our asset recovery and customer relationship management business. We believe we can use many of the same methods and processes that enabled Ocwen to become one of the most efficient mortgage loan servicers to generate growth and margin expansion in our Financial Services segment.

- *Technology Products.* Our Technology Products segment supports the business lines within Mortgage Services and drives operational excellence in the Financial Services segment. We intend to sell our REAL suite of products as part of an overall service solution that forms part of the business lines of Mortgage Services. Technology Products supports Ocwen's information technology needs and where relevant, Technology Products will be sold on a stand-alone basis to external customers.

**Reasons for the Separation**

Ocwen's Board of Directors determined that separating the Altisource knowledge processing business from Ocwen's loan servicing business is in the best interests of Ocwen's shareholders. In arriving at its decision, the board considered, among other factors, that the Separation will:

- Allow each of Ocwen and Altisource to separately focus on their core business and be better able to respond to initiatives and market challenges;
- Better position Altisource to pursue business opportunities with other servicers;
- Provide Altisource the option of offering its stock as consideration to potential acquisition targets (subject to certain limitations, as for a period of two years following the Separation, issuances of 50% or more of our common stock to one entity may cause the Distribution to lose its tax-free treatment for Ocwen; however, we believe that the impact of such loss of the tax-free treatment for Ocwen would be mitigated substantially because Ocwen shall recognize substantially all of its gain in the Altisource business in connection with the Restructuring as more fully described under "Certain United States Federal Income Tax Consequences of the Separation");
- Grant Altisource flexibility in creating its own capital structure which may include a subsequent raise of equity or debt; and
- Allow potential investors to choose between the contrasting business models of knowledge processing or servicing, each of which may be valued differently by the equity markets.

The Board of Directors of Ocwen believes that the Separation as structured, with minimal Altisource debt, will give Altisource the financial and operational flexibility to take advantage of opportunities in the knowledge process outsourcing marketplace.

**Regulatory Approval**

Apart from the registration under United States federal securities laws of the Altisource common stock that will be issued in the Separation, and the related Nasdaq Global Market listing requirements, we do not believe that any other material governmental or regulatory filings or approvals will be necessary to consummate the Separation.

**No Appraisal Rights**

Ocwen shareholders will not have appraisal rights in connection with the Separation.

**Risk Factors**

You should carefully consider the matters discussed under the heading "Risk Factors" of this information statement.

**Corporate Information**

Altisource is incorporated in the Grand Duchy of Luxembourg. Altisource conducts its global operations in the United States, Canada, Uruguay, Luxembourg and India. Our principal executive offices are located in the City of Luxembourg, Grand Duchy of Luxembourg, and our main telephone number is 407-737-5419. Our corporate Web site is located at [www.altisource.com](http://www.altisource.com). The information contained in, or that can be accessed through, our Web site is not part of this information statement.

**The Separation**

We describe in this information statement the operations of Altisource that will be contributed by Ocwen in connection with the Restructuring as if Altisource were a separate business for all historical periods presented. The

operations represent the majority of Ocwen's knowledge process outsourcing line of business at the date of the Separation. For additional information see "Introduction — THE SEPARATION."

References in this information statement to our historical assets, liabilities, services, businesses, employees or activities generally refer to the historical assets, liabilities, services, businesses, employees or activities of the contributed businesses as they were conducted as part of Ocwen and its subsidiaries before the Separation. Our historical financial results contained in this information statement may not be indicative of our financial results in the future as a stand-alone company or reflect what our financial results would have been had we been a stand-alone company during the periods presented.

**Questions and Answers about Altisource and the Separation**

***What assets, liabilities and operations will comprise Altisource in connection with the Separation?***

The majority of Ocwen's knowledge process outsourcing business (consisting of mortgage services, financial services and technology products businesses) will be consolidated into Altisource prior to the Distribution. Ocwen's interest in BMS Holdings, Inc., an equity investment which we refer to as BMS, and Global Servicing Solutions, LLC, which we refer to as GSS, will remain with Ocwen after the Separation. In connection with the Separation, we expect to enter into a "Separation Agreement" with Ocwen that will contain the key provisions relating to the transaction including identification of the assets to be transferred, liabilities to be assumed and contracts to be assigned to us by Ocwen and will describe the material terms of when and how these transfers, assumptions and assignments will occur. In addition, we expect to enter into a "Tax Matters Agreement" setting out each party's rights and obligations with respect to federal, state, local and foreign taxes for tax periods before the Separation and related matters, certain indemnification rights and obligations with respect to taxes for tax periods before the Separation and for any taxes and associated adverse consequences resulting from the transaction and certain restrictions designed to preserve the tax-free status of the Distribution. See "Risk Factors — Risk Factors Related to the Separation." In connection with the Separation, we also expect to enter into an "Employee Matters Agreement" with Ocwen providing for the allocation of assets, liabilities and responsibilities with respect to certain employee benefit plans, policies and compensation programs. See "Certain Relationships and Related Party Transactions — Agreements With Ocwen."

***What will Altisource's Relationship with Ocwen be after the Separation?***

In connection with the Separation, we expect to enter into a two-year "Transition Services Agreement" under which Ocwen and we will provide each other with certain services on an interim basis. Post Separation, Altisource's largest customer will be Ocwen, and we will enter into long-term servicing contracts for up to eight years with Ocwen. For the year ended December 31, 2008, Ocwen represented 75.8% of revenues for Mortgage Services, 47.3% for Technology Products, 1.6% for Financial Services or 40.1% of total Altisource revenues. There are other arrangements between us and Ocwen that will continue following the Separation. See "Relationship Between Ocwen and Us Following the Separation" for additional details of these agreements.

Although Ocwen is a separate company, Ocwen and we will have the same Chairman, William C. Erbey. Mr. Erbey currently owns 27.1% of Ocwen and will own 27.1% of our stock following the Separation. This arrangement with Ocwen may involve, or may appear to involve,

***Will Altisource be subject to any Anti-Takeover Effects?***

conflicts of interest. See “Certain Relationships and Related Party Transactions.”

Our formation and governance documents (under Luxembourg law, our articles of incorporation) do not include many of the typical provisions that would be considered to have an anti-takeover effect (e.g., staggered board of directors, poison pill or shareholder rights plan, etc.). However, approximately 27.6% of the voting power of our outstanding voting stock was held by our directors and executive officers as of the record date. This concentration of voting power could encourage or discourage third parties from making proposals involving an acquisition or change in control of Altisource since it could be easier or more difficult for third parties to obtain any requisite shareholder approval for acquisition or change in control.

See “Business — Government Regulation,” “Description of Capital Stock” and “Anti-Takeover Provisions.”

***What are the United States Federal Income Tax Consequences of the Separation?***

The Distribution is conditioned upon the receipt of an opinion of O’Melveny & Myers LLP confirming the tax-free status under Section 355 of the United States Internal Revenue Code of 1986, as amended (the “Code”). The opinion will be based on the assumption that, among other things, the representations made, and information submitted, in connection with each are accurate. Altisource has agreed to indemnify Ocwen for tax liabilities resulting from the Distribution under particular circumstances. Although the Separation involves the use of existing Ocwen entities, as part of the Restructuring, any assets that are transferred to Altisource Portfolio Solutions S.A. or non-U.S. subsidiaries will be taxable to Ocwen pursuant to Section 367(a) of the Code.

You are not expected to recognize any gain or loss for U.S. federal income tax purposes as a result of the Distribution, except for any gain or loss attributable to the receipt of cash in lieu of a fractional share of our common stock. See “The Separation — Certain U.S. Federal Income Tax Consequences of the Separation” for a more detailed description of the U.S. federal income tax consequences of the Distribution.

**Each shareholder is urged to consult a tax advisor as to the specific tax consequences of the Distribution to that shareholder, including the effect of any U.S., state, local or foreign tax laws and of changes in applicable tax laws.**

***What are the risks associated with Altisource and the Separation?***

You should review the risks relating to the Separation, our business and ownership of our common stock described in “Risk Factors.”

***What will I receive as a result of the Separation?***

For every three shares of Ocwen common stock that you owned on the Record Date, you will receive one share of Altisource common stock which we refer to as the “Separation Ratio.” If you would be entitled to a fractional Altisource share of common stock, you will receive instead a check for the market value thereof. See “The Separation — Treatment of Fractional Shares.”

***When will the Separation occur?***

Ocwen currently anticipates completing the Separation on or about [            ], 2009, which we refer to as the “Separation Date”.

***What is the Record Date for the Separation?***

The Record Date is [            ], 2009, and ownership of Ocwen common stock was determined as of 5:00 p.m., Eastern Time on that date. When we refer to the “Record Date,” we are referring to that date and time.

***Are there any conditions to the Separation?***

The Separation is subject to certain conditions including but not limited to confirmation of the tax-free treatment of the spin-off, necessary regulatory approvals, any required lender counterparty consents and final approval by the Ocwen Board of Directors.

***Is shareholder approval required for the Separation?***

Shareholder approval is not required for the Separation. The Separation will be accomplished by distributing all of the shares of Altisource common stock to holders of Ocwen common stock, which has been approved by the Ocwen Board of Directors pursuant to its statutory authority under Florida law.

***What do I have to do to receive my shares of Altisource common stock?***

Nothing. Your shares of Altisource common stock will be either reflected in an account statement that our transfer agent, American Stock Transfer & Trust Company, will send to you shortly after [ ], 2009 or credited to your account with your broker or nominee on or about [ ], 2009.

***When will I receive my shares of Altisource common stock?***

If you hold your Ocwen shares in your own name, then your account statement reflecting the Altisource shares will be mailed to you on or about [ ], 2009. You should allow several days for the mail to reach you. If you hold your Ocwen shares through your broker or other nominee, you are probably not a shareholder of record, and your receipt of Altisource shares depends on your arrangements with the nominee that holds your Altisource shares for you. Ocwen anticipates that brokers and other nominees generally will credit their customers' accounts with Altisource shares on or about [ ], 2009, but you should check with your broker or other nominee. See "The Separation — When and How You Will Receive Altisource Common Stock."

***How will shares of Altisource common stock be distributed to me?***

Ocwen will distribute the Altisource common stock by book entry. If you were a record holder of Ocwen common stock on the record date, then you will receive from our transfer agent shortly after [ ], 2009 a statement of your book entry account for the shares of Altisource common stock that are distributed to you. You will not receive physical stock certificates for your Altisource common stock. If you were not a record holder of Ocwen common stock on the record date because your shares are held on your behalf by your broker or other nominee, then your shares of Altisource common stock should be credited to your account with your broker or nominee on or about [ ], 2009.

***Will Ocwen distribute fractional shares?***

Fractional shares of Altisource common stock will not be issued in the Separation. If you would be entitled to receive a fractional share in the Separation, then you will instead receive a cash payment in lieu of the fractional share which cash payment may be taxable to you. See "The Separation — Treatment of Fractional Shares."

***Will the Separation affect the market price of my Ocwen shares?***

Following the Separation, Ocwen common stock will continue to be listed and traded on the NYSE under the symbol "OCN." As a result of the Separation, the trading price of Ocwen shares immediately following the Separation may be lower than immediately prior to the Separation. Net operating revenues for Altisource were approximately \$160,363 and \$134,906 for the fiscal years ended December 31, 2008 and 2007, respectively. Until the market has fully analyzed the operations of Ocwen without Altisource's business, the price of Ocwen

<b><i>Where will my shares of Altisource common stock trade?</i></b>	shares may fluctuate significantly. See “The Separation — Listing and Trading of the Shares of Altisource Common Stock.”
<b><i>When will I be able to trade shares of Altisource common stock?</i></b>	We expect that the shares of Altisource common stock will be authorized for listing on The NASDAQ Stock Market LLC under the trading symbol “ASPS” following completion of the Separation. Trading of Altisource common stock will begin on a “when-issued” basis on [ ], 2009. See “The Separation — Listing and Trading of the Shares of Altisource Common Stock” and “Description of Capital Stock — Transfer Restrictions.”
<b><i>What is Altisource’s dividend policy?</i></b>	Trading of Altisource common stock will begin on a “when-issued” basis on [ ], 2009. “Regular-way” trading will begin on the first trading day after the Separation Date. In the context of a spin-off, when-issued trading refers to securities transactions made on or before the Separation Date and made conditionally because the securities of the distributed entity have not yet been distributed. When-issued trades generally settle within three trading days after the Separation Date. On the first trading day following the Separation Date, all when-issued trading, if any, will end, and regular-way trading in shares of Altisource common stock will begin. Regular-way trading refers to trading after the security has been distributed and typically involves a trade that settles on the third full trading day following the date of the transaction. Shares of Altisource common stock generally will be freely tradable after the Separation Date although the share price may be subject to greater trading volatility than Ocwen shares historically have experienced. See “The Separation — Listing and Trading of the Shares of Altisource Common Stock.”
<b><i>How will Altisource be managed?</i></b>	We currently do not plan to pay dividends. The timing and amount of future dividends, if any, will be determined by our Board of Directors (subject to prior approval of or subsequent ratification by our shareholders and will be evaluated from time to time in light of our financial condition, earnings, growth prospects, funding requirements, financing arrangements, applicable law and other factors our Board of Directors deems relevant.
<b><i>How will existing stock options be treated in the Separation?</i></b>	After the Separation, we will have an initial Board of Directors consisting of [ ] directors. William C. Erbey will be Chairman of our Board of Directors. See “Management — The Board.” Our Chief Executive Officer will be William B. Shepro, currently an Executive Vice President of Ocwen. Our Chief Financial Officer will be Robert D. Stiles, currently the Chief Financial Officer of the Altisource businesses. Shekar Sivasubramanian, currently the President of Mortgage Services and Technology Products of Ocwen and John T. McRae, II, currently the Chief Executive Officer of Nationwide Credit, Inc. will have the same titles in our company. Kevin J. Wilcox, currently the Executive Vice President and Chief Administration Officer of Ocwen, will be Chief Administration Officer and General Counsel. See “Management — Directors and Executive Officers.”



value of Altisource stock distributed to Ocwen shareholders. At the Separation Date, all holders of Ocwen stock options, including Altisource employees and those who will remain with Ocwen after the Separation, will receive the following:

- a new Altisource stock option (issued by Altisource) to acquire the number of shares of Altisource common stock equal to the product of (a) the number of Ocwen stock options held on the Separation Date and (b) the distribution ratio of one share of Altisource common stock for every three shares of Ocwen common stock; and
- an adjusted Ocwen option for the same number of shares of Ocwen common stock with a reduced exercise price per stock option.

We will determine the exercise price of the new Altisource stock option and the adjusted Ocwen stock option based on the exercise price ratio. We will calculate the exercise price ratio for each individual stock option based on the ratio of the grant date exercise price of the individual stock option to the fair market value of the Ocwen stock immediately prior to the Separation. For example, assume that the Ocwen stock trades at \$12.00 immediately prior to the Separation, and an employee holds a stock option with an exercise price of \$8.00. The exercise price ratio for this stock option is 66.7%. We then will apply this exercise price ratio to the trading value of the Ocwen stock and the Altisource stock on the date the Altisource stock begins trading on The NASDAQ Stock Market LLC to determine the exercise price of the new Altisource stock option and the adjusted Ocwen stock option.

***How will restricted shares be treated in the Separation?***

Holders of outstanding Ocwen restricted stock as of the date of the Separation will receive one share of restricted stock of Altisource for every three shares of restricted stock of Ocwen consistent with the treatment of Ocwen common stock. These new restricted shares will have the same terms and conditions as the related Ocwen restricted shares, and the shares will vest on the same dates that the Ocwen shares vest.

***Do I have appraisal rights in connection with the Separation?***

No. Holders of Ocwen common stock have no appraisal rights in connection with the Separation. See “The Separation — No Appraisal Rights.”

***Who is the transfer agent for Altisource common stock?***

The transfer agent for Altisource’s common stock is American Stock Transfer & Trust Company. You can contact the transfer agent at the following address and telephone number:

American Stock Transfer & Trust Company  
59 Maiden Lane  
New York, New York 10038  
Telephone: 718-921-8200  
Fax: 718-259-1144

Please contact the transfer agent with any questions about the Separation or if you need any additional information.

**Summary Financial Data**

Set forth below are summary selected combined consolidated financial data for Altisource for each of the three years ended December 31, 2008. We derived the combined consolidated balance sheet data as of December 31,

2008 and 2007 and the combined consolidated statement of operations data for each of the three years in the period ended December 31, 2008 from our audited combined consolidated financial statements included in this information statement. We derived the combined consolidated balance sheet data as of December 31, 2006 from unaudited, combined consolidated financial information that are not included in this information statement. The unaudited combined consolidated financial statements have been prepared on the same basis as the audited combined consolidated financial statements and, in the opinion of our management, include all adjustments, consisting only of normal recurring adjustments, necessary for a fair presentation of the information set forth herein.

The selected historical financial data set forth below should be read in conjunction with “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” the audited combined consolidated financial statements and the related notes thereto. The selected historical financial data reflect Altisource’s results as we historically have operated as a part of Ocwen, and these results may not be indicative of our future performance as a separate company following the Separation and do not necessarily reflect what our financial position, results of operations and cash flows would have been had we operated as a separate, stand-alone public entity during the periods presented. Operating expenses in the historical income statements reflect direct expenses of our business together with allocations of certain Ocwen corporate expenses that have been charged to Altisource based on use or other methodologies we believe appropriate for such expenses (see the combined consolidated financial statements, Note 1 — Description of Business, Separation and Basis of Presentation). In our opinion, these allocations have been made on a reasonable and appropriate basis under the circumstances. We include these allocations in selling, general and administrative expenses, and they comprise all of the transactions with related parties within this caption in the table below. Per share data have not been presented since these financial statements are prepared on a combined basis.

	As of and for the Years Ended December 31,		
	2008	2007	2006
Revenue	\$ 160,363	\$ 134,906	\$ 96,603
Cost of revenue	115,048	96,954	72,163
Gross profit	45,315	37,952	24,440
Selling, general and administrative expenses	28,088	27,930	17,622
Income from operations	17,227	10,022	6,818
Other income (expense), net	(2,626)	(1,743)	205
Income before income taxes	14,601	8,279	7,023
Income tax provision	(5,382)	(1,564)	(1,616)
Net income	\$ 9,219	\$ 6,715	\$ 5,407
Total assets	\$ 76,675	\$ 92,845	\$ 22,205
Total liabilities	\$ 16,129	\$ 17,171	\$ 7,357
Transactions with related parties included above:			
Revenue	\$ 64,251	\$ 59,350	\$ 51,971
Selling, general and administrative expenses	\$ 6,208	\$ 8,864	\$ 9,103
Other income (expense), net	\$ 2,269	\$ 965	\$ 503

The operations of NCI are included in our combined consolidated financial statements effective June 6, 2007, the date of acquisition. NCI is a receivables management company specializing in contingency collections and customer relationship management for credit card issuers and other consumer credit providers. The allocation of the purchase price has resulted in total goodwill and intangibles of \$52,124 at December 31, 2007. NCI revenues and operating expenses (including both cost of revenue and selling, general and administrative expenses) for 2008 were \$69,623 and \$74,763, respectively. For the 2007 period, NCI revenues and operating expenses were \$35,999 and \$38,406, respectively.

## RISK FACTORS

### RISKS RELATED TO THE SEPARATION:

***Our historical financial information may not be indicative of our future results as a stand-alone public company.***

The historical financial information included in this information statement may not reflect what our results of operations, financial condition and cash flows would have been had we been a stand-alone public company during the periods presented or be indicative of what our results of operations, financial condition and cash flows may be in the future when we are a stand-alone company. This primarily is because:

- the historical financial information does not reflect the increased costs associated with being a stand-alone company including maintaining a separate Board of Directors and obtaining a separate audit as well as changes that we expect in our tax profile, personnel needs, financing and operations of the contributed business as a result of the Separation from Ocwen. We are unable to estimate the amount of such expenses;
- there is no assurance that the transition services agreement and servicing arrangements with Ocwen will cover all of the related service costs as anticipated at the time of Separation. Additionally, there is no assurance that Ocwen will not terminate the servicing contracts early (which is permitted under certain circumstances) leaving us with excess infrastructure and reducing our revenues and earnings; and
- after the Separation, we will maintain our own credit, banking and vendor relationships and may not be able to procure the rates and terms that Ocwen historically has been able to obtain because of its size in comparison to Altisource. Additionally, because of the tightening of the credit markets, we may not be able to procure additional cash, if needed, to maintain or grow the business and fund operations beyond the available cash flow generated by our businesses.

***We have never operated on a stand-alone basis, and our transition to a standalone operation may adversely affect our ability to conduct business.***

Historically, our business principally operated as business units of Ocwen. We will need to replicate certain facilities, systems, infrastructure and personnel to which we will no longer have access after the Separation. We will incur capital and other costs associated with developing and implementing our own support functions in these areas. This transition may constrain or otherwise adversely affect our ability to conduct business.

***Our status as a foreign corporation may subject us to greater international risk than Ocwen.***

Ocwen is a Florida corporation with its headquarters in the United States. Altisource is organized under the laws of Luxembourg and a significant portion of our employees and assets are located outside the United States. We may be affected by a number of factors relating to our international operations, including potential changes in:

- economic conditions from country to country;
- political conditions, trade protection measures, licensing and other legal requirements;
- tax laws in Luxembourg or India, where we have substantial operations, or in the United States particularly as they relate to assets contributed by a U.S. corporation to a non-U.S. corporation prior to a spin-off; and
- the perception of our existing and potential customers of non-U.S. companies.

***Altisource is a Luxembourg company and it may be difficult for you to enforce judgments against it or its directors and executive officers.***

Altisource is a public limited company organized under the laws of Luxembourg. As a result, the rights of shareholders are governed by Luxembourg law and the articles of incorporation of Altisource. The rights of shareholders under Luxembourg law may differ from the rights of shareholders of companies incorporated in other jurisdictions. A significant portion of the assets of Altisource is located outside the United States. It may be difficult for investors to enforce in the United States judgments obtained in U.S. courts against Altisource or its directors

based on the civil liability provisions of the U.S. securities laws, or to enforce in Luxembourg judgments obtained in other jurisdictions, including the United States.

***The market price and trading volume of our common stock may be volatile and may be affected by market conditions beyond our control.***

Prior to the Separation, our common stock had no trading market. We expect to list our common stock on The NASDAQ Stock Market LLC. We expect trading in our common stock to commence on a “when issued” basis on or about [ ], 2009.

Neither we nor Ocwen can assure you as to the trading prices of our common stock after the Separation. Although we have applied to list our common stock on The NASDAQ Stock Market LLC, an active trading market in our common stock might not develop or continue. Unless and until our common stock is fully distributed and an orderly market develops, the prices at which our stock trades may fluctuate significantly. In addition, the combined trading prices of Ocwen common stock and our common stock after the Separation may, in the aggregate, be less than, equal to or greater than the trading prices of Ocwen common stock prior to the Separation. The market price of our common stock may fluctuate in response to many things including but not limited to:

- quarterly variations in actual or anticipated results of our operations;
- changes in financial estimates by securities analysts;
- actions or announcements by our competitors;
- regulatory actions;
- changes in the market outlook for the lending, credit card and real estate industries;
- technology changes in our business segments; and
- departure of our key personnel.

The market prices of securities of information technology and services providers have experienced fluctuations that often have been unrelated or disproportionate to the operating results of these companies. These market fluctuations could result in extreme volatility in the price of our shares of common stock.

Furthermore, our smaller size and different investment characteristics, including our internationally based headquarters, may not appeal to the current investor base of Ocwen which may seek to dispose of large amounts of our common stock following the Separation. There is no assurance that there will be sufficient buying interest to offset those sales and, accordingly, the price of our common stock could be depressed and/or experience periods of high volatility.

***The value we attribute to the Ocwen and Altisource common stock for the purpose of determining the revised exercise price of the Ocwen stock options and the exercise price of the new Altisource stock options might not be equivalent to the Ocwen and Altisource market prices following the Separation.***

In connection with the Separation, all holders of Ocwen stock options will receive: (1) a new Altisource stock option to acquire the number of shares of Altisource common stock equal to the product of (a) the number of Ocwen stock options held on the Separation Date and (b) the distribution ratio of one share of Altisource common stock for every three shares of Ocwen common stock; and (2) an adjusted Ocwen option for the same number of shares of Ocwen common stock with a reduced exercise price per stock option. We will determine the exercise price of the new Altisource stock option and the adjusted Ocwen option based on the exercise price ratio. We will calculate the exercise price ratio for each individual stock option based on the ratio of the grant date exercise price of the individual stock option to the fair market value of the Ocwen stock immediately prior to the Separation. We then will apply this exercise price ratio to the trading value of the Ocwen stock and the Altisource stock on the date the Altisource stock begins trading on The NASDAQ Stock Market LLC to determine the exercise price of the new Altisource stock option and the adjusted Ocwen option. Although the intrinsic value (the difference between the market price of the stock and the exercise price of the stock option) of the stock option to its holder will be the same as of the Separation Date, fluctuations in the market price of the Ocwen and Altisource common stock may cause

this ratio to vary greatly following the Separation. In addition, although the intrinsic value will be the same, the fair value of the option may be different due to potential changes in the expected stock price volatility, option life and other factors we use to determine fair value using the Black-Scholes options pricing model.

***If the Distribution does not qualify as a tax-free transaction, taxes could be imposed on Ocwen, Altisource and our shareholders, and we have indemnified Ocwen for payment of taxes and tax-related losses.***

It is a condition to completing the Separation that Ocwen receive an opinion from Ocwen's special tax advisor confirming that for United States federal income tax purposes the Distribution qualifies as a tax-free spin-off under Section 355 of the Code. A Distribution that so qualifies will not be taxable to Altisource or its shareholders except to the extent shareholders receive payment for fractional shares. Pursuant to Treasury regulations under Section 367(b) of the Code, Ocwen will recognize a portion of its gain realized pursuant to the Distribution; however, because the pre-Distribution Restructuring will be taxable to Ocwen, such gain should not be material. Altisource has agreed to indemnify Ocwen for certain tax liabilities, and this indemnity obligation, if triggered, could have a material adverse effect on Altisource's financial condition and results of operations. Ocwen will be subject to tax on certain of the asset transfers within Ocwen that are made in the pre-Distribution Restructuring, and under the applicable Treasury regulations, each member of Ocwen's consolidated group at the time of the Separation (including several Altisource subsidiaries) would be severally liable for such tax liability. If the Distribution does not qualify as a tax-free transaction for United States income tax purposes, Ocwen shareholders generally would be treated as if they received a distribution equal to the full fair market value of the Altisource common stock on the date of the Separation.

Even if the Distribution were to otherwise qualify for tax-free treatment under Section 355 of the Code, it would become taxable to Ocwen pursuant to Section 355(e) of the Code if stock representing a 50% or greater interest in Ocwen or Altisource were acquired by one or more persons, directly or indirectly, as part of a plan or series of related transactions that included the Distribution. If the Internal Revenue Service ("IRS") were to determine that acquisitions of Ocwen common stock or Altisource's common stock, either before or after the Distribution, were part of a plan or series of related transactions that included the Distribution, this determination could result in the recognition of gain by Ocwen under Section 355(e). See "Certain Relationships and Related Party Transactions — Agreements with Ocwen — Tax Matters Agreement."

***The tax liability to Ocwen as a result of the Restructuring could be substantial.***

In the pre-Distribution Restructuring, any assets that are transferred to Altisource Portfolio Solutions S.A. or non-U.S. subsidiaries will be taxable pursuant to Section 367(a) of the Code, or other applicable provisions of the Code and Treasury regulations. The taxable gain recognized by Ocwen attributable to the transfer of assets to Altisource will equal the excess of the fair market value of each asset transferred over Ocwen's basis in such asset. Ocwen's basis in some assets transferred to Altisource may be low or zero which may result in a substantial tax liability to Ocwen. In addition, the amount of taxable gain will be based on a determination of the fair market value of Ocwen's transferred assets. The determination of fair market values of non-publicly traded assets is subjective and could be subject to closing date adjustments or future challenge by the IRS which could result in an increased United States federal income tax liability to Ocwen.

***We are agreeing to certain restrictions to help preserve the tax-free treatment to Ocwen of the Distribution which may reduce our strategic and operating flexibility.***

In order to help preserve the tax-free treatment of the Distribution, we have agreed not to take certain actions without first securing the consent of certain Ocwen officers or securing an opinion from a nationally recognized law firm or accounting firm that such action will not cause the Distribution to be taxable. In general, such actions will include (i) for a period of two years after the Separation, engaging in certain transactions involving (a) the acquisition of our stock or (b) the issuance of shares of our stock and (ii) repurchasing or repaying our new debt prior to maturity, other than in accordance with its terms, or modifying the terms of the debt in any manner.

The covenants in, and our indemnity obligations under, the Tax Matters Agreement may limit our ability to pursue strategic transactions or engage in new business or other transactions that may maximize the value of our business. These covenants and indemnity obligations might discourage, delay or prevent a change of control that could be favorable to our common shareholders.

***We anticipate that the Distribution will trigger conversion rights and a change in the conversion rate under Ocwen's 3.25% Contingent Convertible Unsecured Senior Notes due 2024 that may have a dilutive effect on Ocwen shareholders.***

Ocwen currently has \$56,445 in aggregate outstanding principal amount of 3.25% Contingent Convertible Unsecured Senior Notes due 2024 that contain certain conversion rights for the holders of the notes. Conversion rights would be triggered if the value of the Altisource common stock distributed in the Distribution has a per share value exceeding 10% of the closing sales price of the Ocwen common stock on the business day preceding the announcement of the Separation. We expect the Altisource per share value to exceed this 10% trigger, and as a result additional shares of Ocwen common stock may be issued and a further dilutive effect on Ocwen's share price might occur as a result thereof. In addition, regardless of whether the conversion rights are triggered, the Distribution will result in an increase in the conversion rate under the convertible notes, which is the ratio of the number of shares of Ocwen stock into which the notes are convertible. This increase in the applicable conversion rate may have a further dilutive effect.

***New prospective tax regulations, if held applicable to the Separation, could materially increase tax costs to Altisource and/or Ocwen.***

On June 10, 2009, the IRS issued new regulations under Section 7874 of the Code. The IRS further indicated that it intends to issue additional regulations with respect to transactions where a U.S. corporation contributes assets, including subsidiary equity interests, to a foreign corporation and distributes the shares of such corporation, as in the Separation. Our understanding of the IRS's plans regarding these forthcoming regulations is that they would apply to the Separation only if the value of assets held by Ocwen's corporate or partnership subsidiary entities (either currently, or those that were distributed from such entities as part of the plan encompassing the Separation) exceeds, in the aggregate, 60% of the value of Altisource when contributed to Altisource. It is not certain, however, what these regulations will provide for once adopted. Prior to completing the Separation, Ocwen's board of directors will require Ocwen and Altisource to receive a valuation from an independent valuation firm that will enable the Company to determine whether the value of these assets is less than 60% of the value of Altisource. Because we believe the value of these assets does not exceed the 60% threshold, as we expect to be confirmed by information we derive from the independent valuation, we do not believe that Code Section 7874 applies to the Separation. The independent valuation is not binding on the IRS. If the IRS were to successfully challenge this valuation, and find that the value of these assets exceeds 60% of the value of Altisource, then Ocwen would not be permitted to offset gain recognized on the transfer of these assets to Altisource with net operating losses, tax credits or other tax attributes. This could materially increase the tax cost to Ocwen of the Separation. If the IRS were to successfully challenge this valuation and find that the value of these assets exceeded 80% of the value of Altisource, then instead of recognition of gain on the transfer of the assets to Altisource, Altisource would be treated as a U.S. domestic corporation. As such, without further changes to the Code or to its legal structure, Altisource would pay income taxes in both the U.S. and Luxembourg with no deduction or credit for taxes paid to the other country. This would have a material adverse impact on Altisource's worldwide tax expense.

***We could be required to expend significant money and time in order to comply with the provisions of Section 404 of the Sarbanes-Oxley Act beginning in 2010.***

Although Ocwen is currently subject to Section 404 of the Sarbanes-Oxley Act, Altisource will not be subject to the provisions of the act until 2010. In evaluating the internal control structure as a separate stand-alone entity, we may be required to expend significant financial resources and divert time that management would otherwise have to operate our business in order to become compliant with the regulations of the act, which could have an impact on our results of operations.

**RISKS RELATED TO OUR BUSINESS IN GENERAL:**

***Our business is dependent on our ability to grow, and an inability to attract new customers could adversely affect us.***

Our business is dependent on our ability to grow which is affected by our ability to retain and expand our existing client relationships and our ability to attract new customers. Our ability to retain existing customers and expand those relationships is subject to a number of risks including the risk that:

- we do not maintain or improve the quality of services that we provide to our customers;
- we do not maintain or improve the level of attention expected by our customers;
- we do not successfully leverage our existing client relationships to sell additional services; and
- we do not provide competitively priced services.

We may expend significant resources in order to attract new customers. Our ability to attract new customers is subject to a number of risks including:

- the market acceptance of our service offerings;
- the quality and effectiveness of our sales force; and
- the competitive factors within the mortgage and receivables management industries.

If our efforts to retain and expand our client relationships and to attract new customers do not prove effective, it could have a materially adverse effect on our business, results of operations and financial condition.

***Our continuing relationship with Ocwen may inhibit our ability to obtain and retain other customers that compete with Ocwen.***

Our chairman currently owns 27.1% of Ocwen's common stock and will own 27.1% of our common stock as of the Separation Date, subject to dilution due to stock option exercises or conversion of some or all of Ocwen's 3.25% Contingent Convertible Unsecured Senior Notes due 2024. We generated approximately 40.1% of our revenues in 2008 from Ocwen. For up to two years following the Separation, we and Ocwen will provide transition services to each other. We also expect to retain Ocwen as a significant customer for the foreseeable future. Given this close and continuing relationship with Ocwen, we may encounter difficulties in obtaining and retaining other customers who compete with Ocwen. Should these other potential customers continue to view Altisource as part of Ocwen or as too closely related to or dependent upon Ocwen, they may be unwilling to utilize our services and our growth could be inhibited as a result.

***A substantial part of our revenues and external cash flows will be generated by providing outsourcing services to Ocwen, and we are exposed to the risk of Ocwen's termination, non-renewal or inability to pay for such services.***

We currently generate approximately 40% of our revenue from Ocwen. After the Separation, Ocwen will be contractually obligated to purchase services (subject to termination under certain provisions) from us as more fully

described in "Relationship Between Ocwen and Us Following the Separation." These services include, but are not limited to, the following:

Mortgage Services

- valuation services
- residential due diligence
- residential fulfillment support services
- real estate management and sales
- property inspection and preservation services
- closing and title services
- homeowner outreach
- trustee foreclosure services

Technology Products

- residential loan servicing software
- vendor management and order fulfillment software
- default resolution services
- IT infrastructure support
- invoice presentment and payment software
- commercial loan servicing software

Financial Services

- mortgage charge-off and deficiency collections

Ocwen is not restricted from redeveloping these services internally after the Separation. Furthermore, we expect, at least in the near term, we may generate an even greater portion of our revenue from Ocwen. If Ocwen either cancels services provided by us or is no longer able to pay for our services, it would have a materially adverse effect on our business, results of operations and financial condition and cash flows which we may not be able to survive.

Additionally, Altisource may not identify all or accurately price the services and transition services provided to Ocwen. We will have diminished leverage with Ocwen after the Separation and could achieve lower margins than originally budgeted. We may not be able to renegotiate executed agreements and pre-determined rate cards which could result in our earning lower margins or incurring a loss on services provided. This situation may result in our being legally required to provide services at below market rates. The inability to renegotiate contracts would adversely affect our results of operations and financial condition.

***We are dependent on certain key customer relationships, the loss or inability to pay of any of which could reduce our revenues.***

In addition to our relationship with Ocwen described above, we are dependent on a few key customers for a significant portion of our revenues, particularly within our Financial Services segment where American Express accounted for 25.8% of our 2008 revenues. Our relationship with American Express is governed by an agreement, which generally sets out the guidelines on which we will provide services to American Express, although each separate assignment for American Express must be separately agreed to by American Express and is separate from the agreement. American Express is not contractually obligated to continue to use our services at historical levels or at all. The relationship is terminable by American Express by giving 30 days prior written notice to us. While no other individual client represents more than 10% of our consolidated revenues, we are exposed to customer concentration. Most of our customers are not contractually obligated to continue to use our services at historical levels or at all. The loss of any of these key customers or their failure to pay us could reduce our revenues and adversely affect results of operations.

***The application of our integrated technology solutions to additional processes may not achieve consistent results, thereby adversely affecting our results of operations and financial condition.***

Our business plan involves applying our integrated technology solutions to processes that have not previously had them applied. There can be no assurance that this expanded use of integrated technology, including our scripts and decisions models, will be as successful in our processes as compared to previous applications to other processes such as servicing. If we are less successful than anticipated, we could experience a negative impact on our results of operations and financial condition.

***If we do not adapt our services to changes in technology or in the marketplace, or if our ongoing efforts to upgrade our technology are not successful, we could lose customers and have difficulty attracting new customers for our services.***

The markets for our services are characterized by constant technological changes, frequent introductions of new services and evolving industry standards. Our future success will be significantly affected by our ability to



enhance our current services and develop and introduce new services that address the increasingly sophisticated needs of our customers and their customers. These initiatives carry the risks associated with any new service development effort including cost overruns, delays in delivery and performance monitoring. There can be no assurance that we will be successful in developing, marketing and selling new services that meet these changing demands; that we will not experience difficulties that could delay or prevent the successful development, introduction and marketing of these services; or that our new services and their enhancements will adequately meet the demands of the marketplace and achieve market acceptance, which could have a negative impact on our financial condition and results of operations.

***We operate in a competitive business environment, and if we are unable to compete effectively, our results of operations and financial condition may be adversely affected.***

The markets for our services are intensely competitive. Our competitors vary in size and in the scope and breadth of the services they offer. We compete for existing and new customers against both third parties and in-house capabilities of our customers. Some of our competitors have substantial resources and are better known in the marketplace. In addition, we expect that the markets in which we compete will continue to attract new competitors and new technologies. There can be no assurance that we will be able to compete successfully against current or future competitors or that competitive pressures we face in the markets in which we operate will not materially adversely affect our business, financial condition and results of operations.

***Some of our contracts contain provisions which, if triggered, could result in lower future revenues and have a material adverse effect on our business, results of operation and financial condition.***

Many contracts contain provisions that would require us to pay penalties and/or provide the right to terminate the contract if we do not meet pre-agreed service level requirements. If we are unable to meet these requirements, significant penalties may be imposed which in turn could have a material adverse effect on our business, results of operations and financial condition.

***We could have conflicts with Ocwen, and the Chairman of our Board of Directors, and other officers and directors could have conflicts of interest due to their relationships with Ocwen and Altisource, which may be resolved in a manner adverse to us.***

Conflicts may arise between Ocwen and Altisource as a result of our ongoing agreements and the nature of our respective businesses. Among other things, we will become a party to a variety of agreements with Ocwen in connection with the Separation, and we may enter into further agreements with Ocwen after the Separation. Certain of our executive officers and directors may be subject to conflicts of interest with respect to such agreements and other matters due to their relationships with Ocwen.

William C. Erbey, who will become our non-executive Chairman of the Board as a result of the Separation, is currently the Chief Executive Officer and Chairman of the Board of Ocwen. As a result, he has obligations to us as well as to Ocwen and may potentially have conflicts of interest with respect to matters potentially or actually involving or affecting us and Ocwen.

Mr. Erbey owns substantial amounts of Ocwen common stock and stock options because of his relationships with Ocwen. In addition, certain of our directors and executive officers, including Mr. Shepro who also serves as a director, also own Ocwen stock and stock options due to similar current or past relationships with Ocwen. Such ownership could create or appear to create potential conflicts of interest when our non-executive Chairman of the Board and executive officers are faced with decisions that involve Ocwen, Altisource or any of their respective subsidiaries.

Matters that could give rise to conflicts between us and Ocwen include, among other things:

- our ongoing and future relationships with Ocwen, including related party agreements and other arrangements with respect to the administration of tax matters, employee benefits, indemnification and other matters;
- the quality and pricing of services that we have agreed to provide to Ocwen or that it has agreed to provide to us; and
- any competitive actions by Ocwen.

Ocwen is not limited in its ability to compete with us. Although we derive a substantial portion of our revenues within our Mortgage Services and Technology Products divisions from Ocwen, Ocwen is under no obligation to deal exclusively with us. However, the long-term services agreements contain a right of first opportunity in the event Ocwen seeks additional related services, which obligates Ocwen to seek such services from us before negotiating with other third parties. We will also seek to manage these potential conflicts through dispute resolution and other provisions of our agreements with Ocwen and through oversight by independent members of our Board of Directors. There can be no assurance that such measures will be effective, that we will be able to resolve all conflicts with Ocwen or that the resolution of any such conflicts will be no less favorable to us than if we were dealing with a third party.

***Our success depends on our senior management team, and if we are not able to retain them, it could have a material adverse effect on us.***

We are highly dependent upon the continued services and experience of our senior management team. We depend on the services of members of our senior management team to, among other things, continue the development and implementation of our growth strategies and maintain and develop our client relationships.

***Our global operations expose us to risks including fluctuations in currency exchange rates that could adversely affect our results of operations.***

We provide services through global locations primarily in Canada, India, the United States, Luxembourg and Uruguay. Any political or economic instability in these countries could result in our having to replace or reduce our operations which may impact our costs, including labor costs, and have an adverse impact on our results of operations. A decrease in the value of the U.S. dollar in relation to the currencies of the countries in which we operate could increase our cost of doing business in those countries. In addition, we expect to expand our operations in existing as well as other countries and, accordingly, will face similar risks with respect to the costs of doing business in such countries including the effect of any decreases in the value of the U.S. dollar in relation to the currencies of such countries. We currently do not intend to hedge these risks, and if we do so in the future, there is no guarantee that we will successfully hedge them.

***The continuing crisis in the credit markets may restrict our liquidity and may make it difficult or impossible for us to obtain any required additional financing.***

The domestic and international credit markets continue to experience significant dislocation. In the event that we need additional financing for our business or for acquisitions, we may have a difficult time obtaining that financing. In addition, the crisis in the credit markets may have an adverse effect on our customers.

***We are dependent on our employees, and an increase in our turnover rate could have a material adverse effect.***

We are dependent on our ability to attract, hire and retain qualified employees. Our industry, by its nature, is labor intensive and experiences a high employee turnover rate. Many of our employees receive modest hourly wages, and some of these employees are employed on a part-time basis. A higher turnover rate among our employees would increase our recruiting and training costs and could adversely impact the quality of services we provide to our customers. If we were unable to recruit and retain a sufficient number of employees, we would be forced to limit our growth or possibly curtail our operations. Growth in our business requires us to recruit and train qualified personnel at an accelerated rate from time to time. We cannot assure you that we will be able to continue to hire, train and retain a sufficient number of qualified employees to meet the needs of our business or to support our growth. If we are unable to do so, our results of operations could be harmed. Any increase in hourly wages, costs of employee benefits or employment taxes could also have a materially adverse affect on our results of operations.

***Technology failures could damage our business operations and increase our costs.***

The financial services industry as a whole is characterized by rapidly changing technologies, and system disruptions or failures may interrupt or delay our ability to provide services to our customers. Since we operate on a

global basis, we utilize the services of third-party vendors to provide us telecommunication services. Any sustained and repeated disruptions in these services may have an adverse impact on our costs. The secure transmission of confidential information over the Internet is essential to maintaining consumer confidence. Security breaches, acts of vandalism and developments in computer capabilities could result in a compromise or breach of the technology that we use to protect our customers' personal information and transaction data. Consumers generally are concerned with security breaches and privacy on the Internet, and Congress or individual states could enact new laws regulating the electronic commerce market that could adversely affect us and our results of operations.

***If we fail to comply with privacy regulations imposed on providers of services to financial institutions, our business could be harmed.***

As a provider of services to financial institutions, we are bound by the same limitations on disclosure of the information we receive from our customers that apply to the financial institutions themselves. If we fail to comply with these regulations, we could be exposed to suits for breach of contract or to governmental proceedings; our customer relationships and reputation could be harmed; and we could be inhibited in our ability to obtain new customers. In addition, the adoption of more restrictive privacy laws or rules in the future on the federal or state level could have an adverse impact on us.

***Consolidation in the Banking and Financial Services industry could adversely affect our revenues by eliminating some of our existing and potential customers and could make us more dependent on a more limited number of customers.***

There has been and continues to be substantial merger, acquisition and consolidation activity and outright failure of entities in the Banking and Financial Services industry. Mergers, consolidations and failures of banks and financial institutions in the future could reduce the number of our customers and potential customers which could adversely affect our revenues even if these events do not reduce the aggregate activities of the consolidated entities. If our customers merge with or are acquired by other entities that are not our customers, or that use fewer of our services, they may discontinue or reduce their use of our services. In addition, it is possible that the larger banks or financial institutions resulting from mergers or consolidations would have greater leverage in negotiating terms with us or could decide to perform in-house some or all of the services which we currently provide or could provide. Any of these developments could have a material adverse effect on our business and results of operations.

***Our business is subject to extensive regulation, and failure to comply with existing or new regulations may adversely impact us.***

Our business is subject to extensive regulation by federal, state and local governmental authorities including the Federal Trade Commission and the state agencies that license certain of our mortgage related services and collection services. We also must comply with a number of federal, state and local consumer protection laws including, among others, the Gramm-Leach-Bliley Act, the Fair Debt Collection Practices Act, the Real Estate Settlement Procedures Act, the Truth in Lending Act, the Fair Credit Reporting Act and the Homeowners Protection Act. These statutes apply to debt collection, foreclosure and claims handling, and they mandate certain disclosures and notices to borrowers. These requirements can and do change as statutes and regulations are enacted, promulgated or amended.

We are subject to certain federal, state and local consumer protection provisions. We also are subject to licensing and regulation as a mortgage service provider and/or debt collector in a number of states. We are subject to audits and examinations that are conducted by the states in which we do business. Our employees and businesses that sell title insurance products and real estate services may be required to be licensed by various state commissions for the particular type of product sold and to participate in regular continuing education programs. From time to time, we receive requests from state and other agencies for records, documents and information regarding our policies, procedures and practices regarding our mortgage services and debt collection business activities. We incur significant ongoing costs to comply with governmental regulations.

The volume of new or modified laws and regulations has increased in recent years and, in addition, some individual municipalities have begun to enact laws that restrict mortgage service activities. If our regulators impose

new or more restrictive requirements, we may incur additional significant costs to comply with such requirements which could further adversely affect our results of operations or financial condition. In addition, our failure to comply with these laws and regulations can possibly lead to civil and criminal liability; loss of licensure; damage to our reputation in the industry; fines and penalties, and litigation, including class action lawsuits or administrative enforcement actions. Any of these outcomes could harm our results of operations or financial condition.

**RISKS AFFECTING OUR MORTGAGE SERVICES BUSINESS:**

***Mortgage Services is affected by seasonality, and our quarterly revenues could vary as a result.***

Seasonality affects loan originations, as loan originations and payoffs are typically at their lowest levels during the first and fourth quarters due to a reduced level of home buying activity during the winter months. Loan originations and payoffs generally increase during the warmer months beginning in March and continuing through October. As a result, we may experience higher earnings in the second and third quarters and lower earnings in the first and fourth quarters.

***Decreased lending and real estate activity may reduce demand for certain of our services and adversely affect our results of operations.***

The recent dislocation in the mortgage market has resulted in an unprecedented decline in the number of loans originated, and our revenues related to services that support the loan origination market have been impacted negatively as a result.

In addition, recently the Office of Federal Housing Oversight (now known as the Federal Housing Finance Administration) increased the amounts of mortgage loans that Government Sponsored Entities ("GSEs") are allowed to hold in their portfolios. The GSEs' purchase of mortgage loans that are currently made on a non-agency basis effectively shrinks the size of the non-agency mortgage market. Mortgage loans that are insured by the Federal Housing Administration, referred to as FHA loans, are known as agency loans. Mortgages that are not FHA loans are known as non-agency loans. Our customers primarily service mortgages that are not insured by the FHA and therefore are non-agency mortgages. If the GSEs use their expanded authority or if these changes are extended or made permanent, our customers may reduce their involvement in the market for non-agency loans resulting in a reduction in securitization activity and demand for all of our mortgage services. Similarly, the expanding role of the Federal Housing Administration to include issuing mortgages to borrowers who were previously candidates for subprime mortgages may also decrease the demand for non-agency mortgages and may result in a reduction in securitization activity and demand for our services. While we do provide limited services to one of the GSEs, we may not be able to maintain or increase the amount of services we provide to the GSEs in amounts satisfactory to offset the decline in services provided to other customers. Further, in the event that levels of home ownership were to decline or other factors were to reduce the aggregate number of U.S. mortgage loans, our revenues from Mortgage Services and Technology Products could be adversely affected.

***In the wake of the current crisis in the mortgage market, there could be adverse regulatory consequences or litigation that could affect us.***

Various aspects of our businesses are subject to federal and state regulation. The sharp rise in home foreclosures that started in the United States during the fall of 2006 and accelerated in 2007 and 2008 has begun to result in investigations and lawsuits against various parties commenced by various governmental authorities and third parties. It also has resulted in governmental review of aspects of the mortgage lending business which may lead to greater regulation in areas such as appraisals, default management, loan closings and regulatory reporting. Such actions and proceedings could have adverse consequences that could affect our business.

Over the last few months, the New York Attorney General ("NYAG") has been conducting an inquiry into various practices in the mortgage market, including a review of the possibility that conflicts of interest have in some cases affected the accuracy of property appraisals. To our knowledge, the NYAG's inquiry does not specifically focus on Ocwen or the Altisource business or its or their practices. Recently, the NYAG announced a resolution of a portion of this inquiry with respect to the GSEs, the Federal National Mortgage Association ("Fannie Mae") and the Federal Home Loan Mortgage Corporation ("Freddie Mac"). Under agreements entered into with the NYAG,

Fannie Mae and Freddie Mac each committed to adopt a new Home Valuation Code of Conduct referred to as the Home Valuation Code. This Home Valuation Code establishes requirements governing appraiser selection, compensation, conflicts of interest and corporate independence, among other matters. Both Fannie Mae and Freddie Mac have agreed that they will not purchase any single family mortgage loans, other than government-insured loans, originated after January 1, 2009 from mortgage originators that have not adopted the Home Valuation Code with respect to such loans. Among other things, the Home Valuation Code prohibits mortgage lenders from utilizing any appraisal report prepared by an appraiser employed by the lender, an affiliate of the lender, a real estate settlement services provider or an affiliate of a real estate settlement services provider.

At this time, we are unable to predict the ultimate effect of the Home Valuation Code on our business or results of operations.

***States might hinder or restrict our ability to provide title services.***

The title agency and related services we provide are conducted through an underwritten title company, title agencies and individual title officers. Our title agency is domiciled in Florida and generally is limited by requirements to maintain specified levels of net worth and working capital and to obtain and maintain a license when required in each of the states in which it operates. Title agencies also are subject to regulation by the insurance or banking regulators in many jurisdictions. These regulators generally require, among other items, that agents and individuals obtain and maintain a license and be appointed by a title insurer. States might deny us the ability to provide title services, or we may be limited in our ability to work with underwriters in certain states.

***Regulation of the legal profession may constrain our operations and could impair our ability to provide services to our customers and reduce our revenues and profitability.***

Each state has adopted laws, regulations and codes of ethics that provide for the licensure of attorneys which grants attorneys the exclusive right to practice law and places restrictions upon the activities of licensed attorneys. The boundaries of the “practice of law,” however, are indistinct, vary from one state to another and are the product of complex interactions among state law, bar associations and constitutional law formulated by the U.S. Supreme Court. Many states define the practice of law to include the giving of advice and opinions regarding another person’s legal rights, the preparation of legal documents or the preparation of court documents for another person. In addition, all states and the American Bar Association prohibit attorneys from sharing fees for legal services with non-attorneys.

Pursuant to services agreements between us and our law firm customers, we provide mortgage default processing services. Current laws, regulations and codes of ethics related to the practice of law pose the following principal risks:

- State or local bar associations, state or local prosecutors or other persons may challenge the services provided by us as constituting the unauthorized practice of law. Any such challenge could have a disruptive effect upon the operations of our business including the diversion of significant time and attention of our senior management. We also may incur significant expenses in connection with such a challenge including substantial fees for attorneys and other professional advisors. If a challenge to our operations were successful we may need to materially modify our professional services operations in a manner that could adversely affect our revenues and profitability, and we could be subject to a range of penalties that could damage our reputation in the legal markets we serve. In addition, any similar challenge to the operations of our law firm customers could adversely impact their mortgage default business which would in turn adversely affect our revenues and profitability; and
- The services agreements to which we are a party could be deemed to be unenforceable if a court were to determine that such agreements constituted an impermissible fee sharing arrangement between the law firm and us.

Applicable laws, regulations and codes of ethics, including their interpretation and enforcement, could change in a manner that restricts our operations. Any such change in laws, policies or practices could increase our cost of doing business or adversely affect our revenues and profitability.

**RISKS AFFECTING OUR FINANCIAL SERVICES BUSINESS:**

*Decreases in our contingency collections due to economic conditions in the United States may have an adverse effect on our results of operations, revenue and profitability.*

Deterioration in economic conditions in the United States may lead to higher rates of unemployment and decrease the ability of consumers to pay their debts. Defaulted consumer loans and accounts that we service generally are unsecured, and we may be unable to collect these loans in the case of personal bankruptcy of a consumer or upon the expiration of the statute of limitations on the account. Increases in unemployment rates may result in a decline in our collections which may adversely impact our results of operations, revenue and profitability.

*Most of our accounts receivable or collection contracts do not require customers to place accounts with us, may be terminated on 30 or 60 days notice and are on a contingent fee basis. We cannot guarantee that existing customers will continue to use our services at historical levels.*

Under the terms of most of our contracts, customers are not required to give accounts to us for collection and usually have the right to terminate our services on 30 or 60 days notice. American Express is not contractually obligated to continue to use our services at historical levels or at all. The relationship with American Express is terminable by American Express by giving 30 days prior written notice to us. Accordingly, we cannot guarantee that existing customers will continue to use our services at historical levels. In addition, most of these contracts provide that we are entitled to a fee only when we collect accounts. Therefore, for these contracts, we can only recognize revenues upon the collection of funds on behalf of customers.

*The Credit Card Accountability, Responsibility, and Disclosure Act of 2009 (the "CARD Act") may have a negative impact on our business or that of our customers.*

The CARD Act was signed into law by the President of the United States on May 22, 2009. The CARD Act limits when issuers of consumer credit cards can increase interest rates and bans billing and payment practices that the Federal Reserve calls "unfair or deceptive." Although Altisource is not an issuer of consumer credit cards, the majority of our customers in the Financial Services segment do issue consumer credit cards and likely will be impacted by this new legislation. In that regard, indications suggest that the CARD Act will result in curtailing the amount of credit card business these customers generate and therefore may reduce the number and dollar value of accounts that these customers place with us. The resulting impact could be a future reduction of the revenues of this segment.

*Consumer resistance to outbound services could harm the customer relationship management services industry.*

As the customer relationship management services, or CRM, industry continues to grow, the effectiveness of CRM services as a direct marketing tool may decrease as a result of consumer saturation and increased consumer resistance to customer acquisition activities. This could result in a decrease in the demand for our CRM services.

*Financial Services is affected by seasonality, and our quarterly revenues could vary as a result.*

The Financial Services receivables management business is subject to moderate seasonality with collections revenue typically higher in the first calendar quarter of each year because consumers typically use income tax refunds to make payments on debts. The collection levels generally are lower in the remainder of the year.

**RISKS AFFECTING OUR TECHNOLOGY PRODUCTS BUSINESS:**

*We have a long sales cycle for many of our technology solutions, and if we fail to close sales after expending significant time and resources to do so, our business, financial condition, and results of operations may be adversely affected.*

Potential customers generally commit significant resources to an evaluation of available technology solutions and require us to expend substantial time, effort and money educating them as to the value of our technology solutions and services. As a result, we may incur substantial costs in order to obtain each new customer. We may expend significant funds and management resources during the sales cycle and ultimately fail to close the sale. Our sales cycle may be extended due to our customers' budgetary constraints or for other reasons. If we are unsuccessful in closing sales after expending significant funds and management resources or if we experience delays, it could have a material adverse effect on our business, financial condition and results of operations.

*We may experience defects, development delays and installation difficulties with respect to our technology solutions that would harm our business and reputation and expose us to potential liability.*

Many of our services are based on sophisticated software and computing systems, and we may encounter delays when developing new technology solutions and services. Further, the technology solutions underlying our services occasionally have contained and may in the future contain undetected errors or defects when first introduced or when new versions are released. In addition, we may experience difficulties in installing or integrating our technologies on platforms used by our customers. Defects in our technology solutions, errors or delays in the processing of electronic transactions or other difficulties could result in one or more of the following:

- interruption of business operations;
- delay in market acceptance;
- additional development and remediation costs;
- diversion of technical and other resources;
- loss of customers;
- negative publicity; or
- exposure to liability claims.

*We may experience difficulty in gaining new customers, which may adversely affect our growth.*

In our Technology Products business, we face direct competition from third parties. Further, because many of our larger potential customers historically have developed their key processing applications in-house, we often compete against our potential customers' in-house capabilities. As a result, gaining new customers in our Technology Products business can be difficult. For banks, loan servicers and other potential customers, switching from an internally designed system to an outside vendor or from one vendor of mortgage processing services to a new vendor is a significant undertaking. Many potential customers worry about potential disadvantages such as loss of functionality, increased costs and business disruption. As a result, potential customers often resist change. There can be no assurance that our strategies for overcoming potential customers' reluctance to change will be successful, and this resistance may adversely affect our growth.

## FORWARD-LOOKING STATEMENTS

This Information Statement contains forward-looking statements that relate to, among other things, our future financial and operating results. In many cases, you can identify forward-looking statements by terminology such as “may,” “will,” “should,” “expect,” “intend,” “plan,” “anticipate,” “believe,” “estimate,” “predict,” “potential” or “continue,” or the negative of these terms and other comparable terminology including, but not limited to the following:

- assumptions related to the sources of liquidity and the adequacy of financial resources;
- assumptions about our ability to grow our business;
- assumptions about our ability to reduce our cost structure;
- expectations as to the effect of resolution of pending legal proceedings on our financial condition; and
- estimates regarding our reserves and valuations.

Forward-looking statements are not guarantees of future performance and involve a number of assumptions, risks and uncertainties that could cause actual results to differ materially. Important factors that could cause actual results to differ materially from those suggested by the forward-looking statements include, but are not limited to, the risks discussed in “Risk Factors” and the following:

- our ability to retain existing customers and attract new customers;
- general economic and market conditions;
- governmental regulations, taxes and policies; and
- availability of adequate and timely sources of liquidity.

Further information on the risks specific to our business are detailed within this report. Forward-looking statements speak only as of the date they are made and should not be relied upon. Altisource undertakes no obligation to update or revise forward-looking statements.

## THE SEPARATION

### Introduction

On November 12, 2008, the Board of Directors of Ocwen authorized management to pursue a separation from Ocwen of most of Ocwen’s knowledge process outsourcing business for the reasons discussed below.

After considering several factors, management and the Board of Directors concluded that the most effective way to effectuate this separation was to restructure the knowledge process outsourcing business to move it within Altisource, and then to effect a tax-free distribution of Altisource to Ocwen’s shareholders. The restructuring is necessary because certain aspects of the knowledge outsourcing business are integrated within the mortgage servicing operations of Ocwen. Altisource Portfolio Solutions S.A. was incorporated under the laws of Luxembourg on November 4, 1999 as Ocwen Luxembourg S.à r.l., renamed Altisource Portfolio Solutions S.à r.l. on May 12, 2009 and converted into a Luxembourg société anonyme, Altisource Portfolio Solutions S.A., on June 5, 2009. Altisource Portfolio Solutions S.A. has served as the principal holding company of Ocwen’s international operations since inception, including those of the knowledge process outsourcing business. We chose Altisource Portfolio Solutions S.A. as the most desirable entity under which to restructure the knowledge processing business given its existing ownership of most of the global operations of the knowledge processing business, central location to the various operations that ultimately will conduct business as Altisource and consideration of the structure of existing and potential competitors in order to position Altisource to compete in an effective manner.

Given the need to consolidate the businesses that perform Altisource’s operations and the selection of Altisource Portfolio Solutions S.A., Ocwen will incur taxes to the extent that the fair market value of a transferred asset exceeds Ocwen’s basis in such assets in accordance with section 367(a) of the Code.



Once the Restructuring is completed, and subsequent to certain conditions including but not limited to confirmation of the tax-free treatment of the spin-off, necessary regulatory approvals, any required lender counterparty consents and final approval by the Ocwen Board of Directors, Ocwen will distribute its ownership in Altisource to existing shareholders as of the Record Date in a transaction commonly referred to as a tax-free spin-off in accordance with Section 355 of the Code. Ocwen's shareholders will receive one share of Altisource common stock for every three shares of Ocwen common stock they hold on the Record Date, as described below. We expect the Distribution to be effected on or about [ ], 2009 to holders of outstanding Ocwen common stock as of 5:00 p.m., Eastern Time, on [ ], 2009, the Record Date. Ocwen shareholders will not be required to pay any cash or other consideration or to surrender or exchange their shares of Ocwen common stock to receive Altisource common stock.

**Business Reasons for the Separation**

Ocwen and Altisource operate under different business models and cater to different customers. Ocwen is a mortgage loan servicer while Altisource is a knowledge process outsourcing business whose product offerings of valuation services, default processing services, real estate sales, asset recovery, customer relationship management and other services are utilized by a diverse set of businesses. Given our heritage, Ocwen will initially be our largest customer; however, we are focused on diversifying our revenue base by increasing our revenues from other customers over time. Since many of Altisource's potential customers are also servicers, we believe that the Separation will result in fewer of our potential customers viewing us as a competitor.

The Board of Directors and management of Ocwen considered a number of strategies to position Altisource's operations separately from Ocwen's operations so that resources are deployed and activities are pursued in the best interests of both lines of business maximizing value for shareholders. Pursuant to the direction of the Board of Directors, early in 2008 management began analyzing several strategic alternatives. Among the possible alternatives discussed were the separation of Ocwen's servicing business and separation of Ocwen's knowledge process outsourcing business.

**The Number of Altisource Shares Ocwen's Shareholders Will Receive**

The Separation will be made on the basis of one share of Altisource common stock for every three shares of Ocwen common stock. As such, for every three shares of Ocwen common stock that you owned at the close of business on [ ], 2009, the Record Date, you will receive one share of our common stock on the Separation Date. Based on the number of Ocwen shares outstanding on the Record Date and the Separation Ratio, approximately [ ] shares of Altisource common stock will be distributed to Ocwen shareholders. As a result of the Separation, 100 percent of the outstanding Altisource common stock will be distributed to Ocwen shareholders on a pro rata basis.

**When and How Will You Receive Altisource Common Stock**

Ocwen will use a book entry system to distribute shares of Altisource common stock. No stock certificates will be issued for Altisource common stock. Following the Separation, each record holder of Ocwen common stock on the Record Date will receive from the transfer agent a statement of the amount of Altisource common shares credited to his or her account. If you were not a record holder of Ocwen common stock on the Record Date because your shares are held on your behalf by your broker or other nominee, your shares of Altisource common stock should be credited to your broker or other nominee on or about [ ], 2009.

No action is required by you in order to receive Altisource shares in the Separation, and you do not have to surrender or exchange your shares of Ocwen stock or pay cash or any other consideration to receive your shares of Altisource common stock. The number of shares of Ocwen common stock that you currently own will not change as a result of the Separation.

We anticipate that on [ ], 2009, Ocwen will deliver to our transfer agent all of the shares of our common stock to be distributed. On that day, the transfer agent will credit the accounts of registered holders of Ocwen common stock entitled to the distribution. For those holders of Ocwen common stock who hold their shares through a broker, bank or other nominee, the transfer agent will credit the shares of our common stock to the accounts of those nominees who are registered holders, and they in turn will credit their customers' accounts with

our common stock. We anticipate that brokers, banks and other nominees will generally credit their customers' accounts with our common stock on the same day that their accounts are credited which is expected to be the Separation Date.

#### **Treatment of Fractional Shares**

The transfer agent will not deliver any fractional shares of Altisource common stock in connection with the delivery of Altisource shares pursuant to the Separation. Instead, the transfer agent will aggregate all fractional shares and sell them on behalf of those holders who otherwise would be entitled to receive a fractional share. We anticipate that these sales will occur as soon as practicable after the Separation Date. Those holders then will receive a cash payment, in the form of a check, in an amount equal to their pro rata share of the total proceeds of those sales. Any applicable expenses, including brokerage fees, will be paid by us. If you physically hold your Ocwen share certificates on the Record Date, your check for any cash that you may be entitled to receive instead of fractional shares of Altisource common stock will be mailed to you separately.

We expect that all fractional shares held in street name will be aggregated and sold by brokers or other nominees according to their standard procedures, and that brokers or other nominees may request the transfer agent to sell the fractional shares on their behalf. You should contact your broker or other nominee for additional details. Neither Ocwen, Altisource nor our transfer agent will guarantee any minimum sale price for the fractional shares of our common stock or pay any interest on the proceeds from the sale of fractional shares. The receipt of cash in lieu of fractional shares generally will be taxable to the recipient shareholders. See "The Separation — Certain United States Federal Income Tax Consequences of the Separation."

#### **Listing and Trading of the Shares of Altisource Common Stock**

You should consult and discuss with your own financial advisors, such as your broker or tax advisor, regarding the retention, sale or purchase of, or other transactions involving shares of, Ocwen common stock or Altisource common stock. Ocwen and Altisource do not make recommendations on the retention, sale or purchase of, or other transactions involving shares of Ocwen common stock or shares of Altisource common stock. If you do decide to sell any shares, you should make sure your broker or other nominee understands whether you want to sell your shares of Ocwen common stock, your shares of Altisource common stock or both.

Altisource has applied to list its common stock on The NASDAQ Stock Market LLC.

The following information may be helpful in discussions with your broker or other nominee.

"When-issued" trading of the shares of Altisource common stock is expected to begin on [ ], 2009. In the context of a spin-off, when-issued trading refers to securities transactions made on or before the Separation Date and made conditionally because the securities of the distributed entity have not yet been distributed. When-issued trades generally settle within three trading days after the Separation Date. On the first trading day following the Separation Date, all when-issued trading, if any, will end, and "regular-way" trading in shares of Altisource common stock will begin. Regular-way trading refers to trading after the security has been distributed and typically involves a trade that settles on the third full trading day following the date of the transaction. If the Separation does not occur, all when-issued trading will be null and void.

On [ ], 2009, Ocwen's common stock will begin to trade in two markets on the NYSE: a "regular way" market and an "ex-distribution" market. Between the Record Date and consummation of the Separation, shares of Ocwen common stock that are sold on the regular way market will include an entitlement to receive shares of Altisource common stock distributable in the Separation. Conversely, shares sold in the ex-distribution market will not include an entitlement to receive shares of Altisource distributable in the Separation, as the entitlement will remain with the original holder. Therefore, if you own shares of Ocwen common stock on the Record Date and thereafter sell those shares in the regular way market on or prior to the Separation Date, you will also be selling the shares of Altisource common stock that would have been distributed to you with respect to the shares of Ocwen common stock you sell. If you own shares of Ocwen common stock on the Record Date and thereafter sell those shares in the ex-distribution market on or prior to the Separation Date, you will still receive the shares of Altisource common stock in the Separation. On the first trading day following the Separation Date, all shares of Ocwen common stock will trade without any entitlement to receive shares of Altisource common stock.

Shares of Altisource common stock distributed to Ocwen shareholders will be freely transferable except for such shares that are distributed to persons who are “affiliates” under the Securities Act of 1933, as amended (the “Securities Act”). Individuals or entities may be deemed to be Altisource affiliates if they control, are controlled by, or are under common control with, Altisource; such persons may include certain of our Directors, officers and significant shareholders. In addition, individuals who are affiliates of Ocwen on the Separation Date may be deemed to be affiliates of Altisource. Persons who are Altisource affiliates will be permitted to sell their shares of Altisource common stock only pursuant to an effective registration statement under the Securities Act, an exemption from the registration requirements of the Securities Act or pursuant to Rule 144 under the Securities Act. In general, under Rule 144, an affiliate who receives shares of Altisource common stock in the Separation is entitled to sell, within any three-month period, a number of shares that does not exceed the greater of:

- one percent of the then-outstanding shares of common stock; and
- the average weekly trading volume of the Altisource common stock during the four calendar weeks preceding the date on which the notice of the sale is filed with the Securities and Exchange Commission (the “SEC”).

Sales under Rule 144 are also subject to provisions relating to notice, manner of sale and the availability of current public information about Altisource.

There can be no assurance as to whether the shares of Altisource common stock will be actively traded or as to the prices at which the shares of Altisource common stock will trade. Until the shares of Altisource common stock are fully distributed and an orderly regular-way market develops, the prices at which shares trade may fluctuate significantly and may be lower than the price that may be expected for a fully distributed issue. Prices for shares of Altisource common stock in the marketplace will be influenced by many factors. For a detailed discussion of these and other risks, please refer to “Risk Factors.”

Following the Separation, Ocwen common stock will continue to be listed and traded on the NYSE under the symbol “OCN.” As a result of the Separation, the trading price of Ocwen common stock immediately following the Separation may be lower than the trading price of Ocwen common stock immediately prior to the Separation. Further, the combined trading prices of Ocwen common stock and Altisource common stock after the Separation may be less than the trading prices of Ocwen common stock immediately prior to the Separation. In addition, if the Separation were to trigger conversion rights under the approximately \$56,445 in aggregate outstanding principal amount of Ocwen’s 3.25% Contingent Convertible Unsecured Senior Notes due 2024, a further dilutive effect on Ocwen’s share price might occur as a result. Conversion rights would be triggered if the value of the Altisource common stock distributed in the Distribution has a per share value exceeding 10% of the closing sales price of the Ocwen common stock on the business day preceding the announcement of the Separation. In addition, regardless of whether the conversion rights are triggered, the Distribution will result in an increase in the conversion rate under the convertible notes, which is the ratio of the number of shares of Ocwen stock into which the notes are convertible. Such increase will be calculated in accordance with a formula set forth in the convertible notes’ governing documents, and will result in an increase in the number of shares of Ocwen common stock into which the convertible notes are convertible after the Distribution, and a further dilutive effect on Ocwen’s share price might occur as a result.

Even though Ocwen is currently a publicly-held company, there can be no assurance as to the prices at which the Ocwen common stock will trade following the Separation. Some Ocwen shareholders may decide that they do not want shares in a company whose operations primarily are limited to the mortgage servicing business and may sell their Ocwen common stock following the Separation. This and other factors may delay or hinder the return to an orderly trading market in the Ocwen common stock following the Separation. The nature of the trading market and prices for Ocwen common stock after the Separation will be influenced by many factors. For a detailed discussion of these and other risks, please refer to “Risk Factors.”

#### **Treatment of Outstanding Ocwen Stock Options Held by Our Employees and Directors**

Ocwen stock options currently outstanding under Ocwen’s various equity compensation plans will be adjusted to reflect the value of Altisource stock distributed to Ocwen shareholders. At the Separation Date, all holders of

Ocwen stock awards, including Altisource employees and those who will remain with Ocwen after the Separation, will receive the following:

- a new Altisource stock option (issued by Altisource) to acquire the number of shares of Altisource common stock equal to the product of (a) the number of Ocwen stock options held on the Separation Date and (b) the distribution ratio of one share of Altisource common stock for every three shares of Ocwen common stock; and
- an adjusted Ocwen option for the same number of shares of Ocwen common stock with a reduced exercise price per stock option.

We will determine the exercise price of the new Altisource stock option and the adjusted Ocwen option based on the exercise price ratio. We will calculate the exercise price ratio for each individual stock option based on the ratio of the grant date exercise price of the individual stock option to the fair market value of the Ocwen stock immediately prior to the Separation. For example, assume that the Ocwen stock trades at \$12.00 immediately prior to the Separation, and an employee holds an option with an exercise price of \$8.00. The exercise price ratio for this option is 66.7%. We then will apply this exercise price ratio to the trading value of the Ocwen stock and the Altisource stock on the date the Altisource stock begins trading on The NASDAQ Stock Market LLC to determine the exercise price of the new Altisource stock option and the adjusted Ocwen option.

#### **Interests of Ocwen Officers and Directors in the Separation**

To the extent that Ocwen officers and directors hold shares of Ocwen common stock, they will receive shares of Altisource common stock in the Separation on the same terms as other Ocwen shareholders.

As noted above, William C. Erbey will be the Chairman of both Altisource and Ocwen after the Separation and will own 27.1% of both entities. In addition, Ocwen will purchase services from us after the Separation pursuant to the services arrangements which services may be priced in a way that benefits Ocwen. See “Risk Factors”, “Relationship between Ocwen and Us Following the Separation” and “Certain Relationships and Related Transactions.”

#### **Certain United States Federal Income Tax Consequences of the Separation**

The following is a summary of the material United States federal income tax consequences of the Separation. This summary is based on the Code, on the Treasury Regulations promulgated thereunder and on judicial and administrative interpretations thereof all as in effect on the date of this summary, and all of which are subject to change (possibly on a retroactive basis).

This summary does not address tax consequences for any holder other than a United States Holder. For purposes of this summary, a United States Holder is a beneficial owner of Ocwen common stock that is, for United States federal income tax purposes:

- an individual who is a citizen or a resident of the United States;
- a corporation, or other entity taxable as a corporation for United States federal income tax purposes, created or organized under the laws of the United States or any state thereof or the District of Columbia;
- an estate, the income of which is subject to United States federal income taxation regardless of its source; or
- a trust, if (i) a court within the United States is able to exercise primary jurisdiction over its administration and one or more United States persons have the authority to control all of its substantial decisions, or (ii) it has a valid election in effect under applicable United States Treasury Regulations to be treated as a United States person.

Further, this summary does not discuss all of the tax considerations that may be relevant to United States Holders in light of their particular circumstances and does not address the tax consequences applicable to certain persons subject to special provisions of the United States federal income tax law including:

- insurance companies;

- dealers in securities or currencies;
- traders in securities that have elected the mark-to-market method of accounting for securities;
- tax-exempt organizations;
- financial institutions;
- regulated investment companies and real estate investments trusts;
- qualified retirement plans;
- partnerships, other entities classified as partnerships, or other pass-through entities for United States federal income tax purposes and investors in these entities;
- holders who hold shares as part of a hedging, integrated, conversion or constructive sale transaction or a straddle;
- holders who hold their shares as a synthetic security, integrated investment or other risk-reduction transaction;
- holders who are subject to the alternative minimum tax;
- holders who acquired their shares upon the exercise of employee stock options or otherwise as compensation;
- a “controlled foreign corporation”;
- a “passive foreign investment company”;
- a foreign government or related entity; or
- holders whose functional currency is other than the United States dollar.

In addition, this summary is limited to shareholders that hold their Ocwen common stock as a capital asset. Finally, this summary does not address any estate, gift or other non-income tax consequences or any state, local or foreign tax consequences.

THIS SUMMARY IS FOR GENERAL INFORMATION PURPOSES ONLY, AND IT IS NOT INTENDED TO BE, AND IT SHOULD NOT BE CONSTRUED TO BE, LEGAL OR TAX ADVICE TO ANY PARTICULAR SHAREHOLDER.

OCWEN SHAREHOLDERS SHOULD CONSULT THEIR OWN TAX ADVISORS CONCERNING THE UNITED STATES FEDERAL, STATE AND LOCAL AND NON-UNITED STATES TAX CONSEQUENCES OF THE SEPARATION TO THEM IN LIGHT OF THEIR PARTICULAR CIRCUMSTANCES.

Ocwen has made it a condition to the Distribution that Ocwen obtain a favorable opinion of O’Melveny & Myers LLP confirming the Distribution’s tax-free status under Section 355 of the Code. The opinion will rely on management representations as well as various factual representations, assumptions and undertakings made by Ocwen and us. If any of those factual representations or assumptions were untrue or incomplete in any material respect, any undertaking was not complied with or the facts upon which the opinion is based were materially different from the facts at the time of the Distribution, the Distribution may not qualify for tax-free treatment. Opinions of counsel are not binding on the IRS. As a result, the conclusions expressed in the opinion of counsel could be challenged by the IRS, and if the IRS prevails in such challenge, the tax consequences to you could be materially less favorable.

As a tax-free transaction under Section 355 of the Code, the Distribution will not be taxable to you or Altisource. Ocwen shareholders will apportion their tax basis in Ocwen common stock between such Ocwen common stock and our common stock received in the Distribution in proportion to the relative fair market values of such stock at the time of the Distribution. However, if you receive cash in lieu of a fractional share of common stock as part of the Distribution, you will be treated as though you first received a distribution of the fractional share in the Distribution and then sold it for the amount of such cash. You will generally recognize capital gain or loss in the

amount of the difference between the cash you receive for such fractional share and your tax basis in that fractional share, as determined above. Such capital gain or loss will be a long-term capital gain or loss if your holding period for your Ocwen common stock is more than one year on the Separation Date.

The transfer of assets from Ocwen to Altisource will be structured to qualify as a reorganization under Section 368(a)(1)(D). Under Section 367(a) of the Code, in such a reorganization Ocwen must recognize taxable gain to the extent certain assets are transferred to Altisource as part of the Separation, for the amount that the fair market value of each transferred asset exceeds Ocwen's basis in such asset. In addition, pursuant to Section 367(b) of the Code, Ocwen will be required to recognize a portion of its gain on the Distribution. Because gain will be recognized in the reorganization transactions described above, any gain recognized on the Distribution should not be material.

If the Distribution were not to qualify as a tax-free transaction, Ocwen may not recognize substantial taxable gain because most, if not all, of such gain would already have been recognized pursuant to the Restructuring of Altisource described above. Each shareholder receiving common stock in the Distribution would generally be treated as receiving a distribution in an amount equal to the fair market value of our common stock received which would generally result in (i) a taxable dividend to the extent of the shareholder's pro rata share of Ocwen's current and accumulated earnings and profits, (ii) a reduction in the shareholder's basis (but not below zero) in Ocwen common stock to the extent the amount received exceeds the shareholder's share of Ocwen's earnings and profits and (iii) taxable gain to the extent the amount received exceeds both the shareholder's share of Ocwen's earnings and profits and the basis in the shareholder's Ocwen common stock.

Even if the Distribution otherwise qualifies for tax-free treatment under Section 355 of the Code, it may become fully taxable to Ocwen under Section 355(e) of the Code if stock representing 50% or greater interest in either Ocwen or Altisource is acquired by one or more persons as part of a plan or series of related transactions that include the Distribution. For this purpose, any acquisitions of our stock or Ocwen stock within two years before or after the Distribution are presumed to be part of such a plan although we may be able to rebut that presumption. In connection with the tax opinion of Ocwen's special tax advisor, each of Ocwen and Altisource will represent that the Distribution is not part of any plan or series of related transactions. If such an acquisition of our stock or Ocwen stock triggers the application of Section 355(e) of the Code, Ocwen would recognize taxable gain as described above with respect to the Distribution, but the Distribution would generally be tax-free to each Ocwen shareholder.

Although taxes resulting from the Distribution not qualifying for tax-free treatment for U.S. federal income tax purposes generally would be imposed on Ocwen and shareholders of Ocwen, under the Tax Matters Agreement, Altisource would be required to indemnify Ocwen and its affiliates against all tax-related liabilities caused by the failure of the Distribution to qualify for tax-free treatment for U.S. federal income tax purposes (including as a result of events subsequent to the Distribution that caused Ocwen to recognize gain under Section 355(e) of the Code) to the extent these liabilities arise as a result of an action taken by Altisource or any of its affiliates or otherwise result from any breach of any representation, covenant or obligation of Altisource or any of its affiliates under the Tax Matters Agreement or any other agreement entered into by Altisource in connection with the Distribution.

#### **Luxembourg Taxation**

The following paragraphs describe generally the tax laws of Luxembourg as they apply to shareholders in Altisource (which is a corporation fully taxable under Luxembourg laws). The following is intended merely as a general summary of the principal Luxembourg tax consequences of the holding and the disposal of Altisource common stock and should be treated with the appropriate caution. This summary does not purport to be a complete analysis of all material tax considerations that may be relevant to a holder or prospective holder of shares in Altisource. This summary also does not take into account the specific circumstances of particular shareholders and is not intended as a substitute for professional tax advice that takes into account the particular circumstances relevant to a specific shareholder. Accordingly, shareholders should consult their own professional advisors on the possible tax consequences of holding or disposing of Altisource common stock, under the laws of Luxembourg as well as under their countries of citizenship, residence or domicile.

This summary is based on the laws, regulations and applicable tax treaties in effect in Luxembourg on the date hereof, all of which are subject to change, possibly with retroactive effect.

#### ***Consequences of the Distribution to Shareholders***

No Luxembourg tax is due for Luxembourg non-resident holders upon the Distribution to the extent they have no permanent establishment, fixed place of business or a permanent representative in Luxembourg, to which the disposal of the shares can be attributed. If Luxembourg resident holders are beneficial owners of shares, they are urged to consult their own tax advisers regarding the Luxembourg tax consequences to them of the Distribution.

#### ***Consequences of the Distribution to Ocwen***

Under Luxembourg tax law, if Ocwen has no permanent establishment, fixed place of business or permanent representative in Luxembourg, to which the disposal could be attributed, no Luxembourg corporate income tax will be due by Ocwen as a result of the Distribution provided Ocwen is entitled to benefit from the tax treaty concluded between Luxembourg and the United States or, if not, provided Ocwen has held its interest in Altisource for at least six months.

The mere disposal of shares is not subject to a Luxembourg registration tax or stamp duty.

#### ***Taxation of Altisource Subsequent to the Separation***

##### ***Corporate Income Tax***

A Luxembourg resident and fully taxable company is subject to income tax on its worldwide income. Normally, taxable companies pursuant to Luxembourg standard corporate income tax rules may benefit from the participation exemption regime with respect to dividends and capital gains derived from qualifying shareholdings. This means that dividends received by Altisource and capital gains on the sale of subsidiary shares may be exempt from corporate income tax under certain conditions. For Luxembourg tax purposes, normally taxable companies are entitled to the benefits of Luxembourg tax treaty network and the EU directives including the EU Parent-Subsidiary Directive and the EU Merger Directive, as amended.

##### ***Luxembourg withholding tax on distributions***

Dividends distributed by Altisource will generally be subject to a withholding tax at a rate of 15% of the gross amount except (i) if an exemption from that withholding tax is applicable under Luxembourg domestic tax law (e.g., based on the implementation of the EU Parent-Subsidiary Directive) or (ii) if a lower rate or an exemption applies under any applicable double taxation treaty.

The exemption mentioned above is available if dividends are distributed to a company ("*organisme à caractère collectif*") residing in a treaty country provided the recipient of the dividend has held or commits to hold a participation of at least 10% (or of EUR 1,200 acquisition cost) in Altisource for an uninterrupted period of 12 months (this must be checked on a case-by-case basis). The recipient of the dividends must be subject to tax on a basis computed in accordance with Luxembourg income tax law.

##### ***Luxembourg Net Wealth Tax***

Luxembourg imposes an annual Net Wealth Tax ("NWT") of 0.5% on the net asset value of corporate taxpayers as of January 1st. The net asset value will be reduced by the value of participations qualifying for participation exemption privilege (as defined in § 60 of the NWT law). In general Luxembourg resident companies subject to NWT are taxed on their worldwide net wealth (unless a double taxation treaty provides for an exemption).

#### ***Consequences to Shareholders Subsequent to the Distribution***

The tax consequences discussed below are not a complete analysis or listing of all the possible tax consequences that may be relevant to you (in particular consequences may differ if there is an applicable tax treaty concluded between Luxembourg and your country of residence). You should consult your own tax advisor in respect of the tax consequences related to receipt, ownership, purchase or sale or other disposal of Altisource shares and the procedures for, as the case may be, claiming a refund of withholding tax.

**Luxembourg income tax on dividends and similar distributions**

*Non-Resident Individual Holders*

For Non-Resident Individual Holders having a permanent establishment, a fixed place of business or a permanent representative in Luxembourg to which Altisource's shares are attributable, dividends distributed by Altisource are subject to Luxembourg income tax at the applicable progressive rate. However, in certain circumstances, 50% of the gross amount of the dividends are exempt from Luxembourg income tax.

*Non-Resident Corporate Holders*

Dividends received by Non-Resident Corporate Holders, having a permanent establishment, fixed place of business or permanent representative in Luxembourg are subject to corporate income tax in Luxembourg. However, such dividends and gains may be exempt under the conditions of the participation exemption privilege.

Furthermore, the permanent establishment, fixed place of business or permanent representative of a Non-Resident Corporate Holder may, under certain conditions, benefit from a 50% exemption on dividends received if the conditions for participation exemption are not met.

**Luxembourg capital gains tax upon Disposal of Shares**

*Non-Resident Individual Holders*

For Non-Resident Individual Holders having a permanent establishment, fixed place of business or permanent representative in Luxembourg to which the shares in Altisource are attributable, gains realized on the sale of such shares in Altisource are subject to Luxembourg income tax at the applicable progressive rate.

Capital gains realized on the sale of shares by a Non-Resident Individual Holder who does not have a permanent establishment, fixed place of business or permanent representative in Luxembourg generally will not be taxable in Luxembourg, unless the Non-Resident Individual Holder together with his or her spouse, life partner or person under 18 years of age holds a direct or indirect participation exceeding 10% of the share capital in Altisource at the date of the sale, or has held such participation at any moment and under similar holding modalities during the 5 years preceding the date of the sale and, either the disposal of the shares in Altisource happens within a period of six months from the acquisition of the shares, or the Non-Resident Individual Holder has been a Luxembourg taxpayer during more than 15 years and became a non-resident taxpayer less than five years before the realization of the capital gain. In such cases, the gain is taxable at half of the applicable progressive rates, with a minimum of a 15% rate. However, a double tax treaty (if any) may grant the exclusive taxation right in respect of the capital gains to the country of residence of the Non-Resident Individual Holder.

*Non-Resident Corporate Holders*

Capital gains realized on the sale of shares by Non-Resident Corporate Holders, having a permanent establishment, fixed place of business or permanent representative in Luxembourg are subject to income tax in Luxembourg. However, such gains, just like dividends, may be exempt under the conditions of the participation exemption.

Capital gains realized by Non-Resident Corporate Holders on the sale of shares which are not attributed to a Luxembourg permanent establishment, fixed place of business or permanent representative will not be taxable in Luxembourg, except for a participation exceeding 10% of the share capital in Altisource is sold within a period of six months from the acquisition of the shares. In such cases, the gain is taxable at a rate of 21.84%. However, a double tax treaty (if any) may grant the exclusive taxation right in respect of the capital gains to the country of residence of the Non-Resident Corporate Holder.

**Luxembourg Net Wealth Tax**

A Luxembourg non-resident corporate holder whose shares are attributable to a permanent establishment, a fixed place of business or a permanent representative in Luxembourg, and a Luxembourg resident corporate holder will be subject to Luxembourg NWT. NWT does not apply to resident and non resident individuals.



***Luxembourg inheritance and gift tax***

Under present Luxembourg tax law, where an individual shareholder in Altisource is a resident of Luxembourg for tax purposes at the time of his or her death, the shares in Altisource are included in his or her taxable estate for inheritance tax purposes.

Gift tax may be due on a gift or donation of the shares in Altisource if embodied in a Luxembourg notary deed or otherwise registered in Luxembourg.

***Stamp Duties in Relation to the Transfer of Shares***

The mere disposal of shares is not subject to a Luxembourg registration tax or stamp duty.

For a discussion of potential Luxembourg withholding tax on distributions, see above.

**Certain Ongoing United States Federal Income Tax Matters Subsequent to the Separation**

In general, U.S. federal income tax applies to a foreign corporation's net taxable income that is effectively connected with the conduct of a U.S. trade or business. In addition, the U.S. branch profits tax will apply to a foreign corporation's earnings and profits from such a business, with some adjustments, deemed repatriated out of the U.S. The U.S. has entered into an income tax treaty with Luxembourg in which the U.S. may tax the business profits earned by a Luxembourg corporation only if those profits are attributable to the conduct of a business carried on through a permanent establishment in the U.S.

There are no definitive standards provided by the Code or Treasury Regulations or court decision as to those activities that constitute the conduct of a business within the U.S., and as the determination is essentially factual in nature, the IRS may contend successfully that Altisource or its non-U.S. subsidiaries conduct a business in the U.S. If Altisource or these non-U.S. subsidiaries that are covered by an income tax treaty with the U.S. have taxable income attributable to a permanent establishment in the U.S. (or in the case of subsidiaries that are not in a treaty jurisdiction, if income is effectively connected with a U.S. trade or business), the U.S. will tax that income in the same manner that generally applies to the income of a domestic corporation.

On June 10, 2009, the IRS issued new regulations under Section 7874 of the Code. The IRS further indicated that it intends to issue additional regulations with respect to transactions where a U.S. corporation contributes assets, including subsidiary equity interests, to a foreign corporation and distributes the shares of such corporation, as in the Separation. Our understanding of the IRS's plans regarding these forthcoming regulations is that they would apply to the Separation only if the value of assets held by Ocwen's corporate or partnership subsidiary entities (either currently, or those that were distributed from such entities as part of the plan encompassing the Separation) exceeds, in the aggregate, 60% of the value of Altisource when contributed to Altisource. It is not certain, however, what these regulations will provide for once adopted. Prior to completing the Separation, Ocwen's board of directors will require Ocwen and Altisource to receive a valuation from an independent valuation firm that will enable the Company to determine whether the value of these assets is less than 60% of the value of Altisource. Because we believe the value of these assets does not exceed the 60% threshold, as we expect to be confirmed by information we derive from the independent valuation, we do not believe that Code Section 7874 applies to the Separation. Neither our valuation nor the independent valuation is binding on the IRS. If the IRS were to successfully challenge this valuation, and find that the value of these assets exceeds 60% of the value of Altisource, then Ocwen would not be permitted to offset gain recognized on the transfer of these assets to Altisource with net operating losses, tax credits or other tax attributes. This could materially increase the tax cost to Ocwen of the Separation. If the IRS were to successfully challenge this valuation and find that the value of these assets exceeded 80% of the value of Altisource, then instead of recognition of gain on the transfer of the assets to Altisource, Altisource would be treated as a U.S. domestic corporation. As such, without further changes to the Code or to its legal structure, Altisource would pay income taxes in both the U.S. and Luxembourg with no deduction or credit for taxes paid to the other country. This would have a material adverse impact on Altisource's worldwide tax expense.

**Branch Profits Tax**

If Altisource or any of its non-U.S. subsidiaries operate a U.S. business, then the branch profits tax may also apply to the profits of that business. Generally the branch profits tax is an additional 30% tax on the earnings of a foreign corporation's U.S. business when these earnings are deemed to have been removed from the U.S. business. In addition, any interest paid or deemed paid by such U.S. business would be treated as U.S. source income and subject to U.S. withholding tax. Because Altisource should qualify for the benefits of the Luxembourg tax treaty and should not have a permanent establishment in the U.S., the branch profits tax should not apply; however, the IRS may not agree with this conclusion, or Altisource may not qualify for the treaty in the future.

**Non-Business Profit**

Foreign corporations are subject to U.S. income tax on some types of income such as rent, royalties, dividends and some types of interest on investments, from sources within the U.S. that are not taxable as business profits. Such income is taxed at a rate of 30%, but the rate may be reduced by the Luxembourg tax treaty and eliminated for some types of U.S. source income.

**Transfer Pricing**

The Code provides the IRS with the authority to reallocate income, deductions and other tax-related items among commonly controlled entities to prevent the evasion of taxes or to clearly reflect income and also to reallocate income. Generally, intercompany transactions on arm's length terms will be respected by the IRS. Altisource intends to conduct transactions between its non-U.S. subsidiaries and U.S. subsidiaries on arm's length terms; however, the IRS may not agree that these terms are arm's length and could challenge the terms of these transactions and increase the U.S. tax liability of Altisource's U.S. subsidiaries.

**Regulatory Approval**

Apart from registration under certain United States federal securities laws of the shares of Altisource common stock, which registration we have applied for, and the related requirements for listing on The NASDAQ Stock Market LLC, for which we have also applied, we do not believe that any other material governmental or regulatory filings or approvals will be necessary to consummate the Separation. The Separation will not affect the ownership or control of Ocwen's servicing business or licenses; consequently, government approval will not be required in connection with the Separation.

**No Appraisal Rights**

Under the Florida Business Corporation Act, Ocwen shareholders will not have appraisal rights in connection with the Separation.

**RELATIONSHIP BETWEEN OCWEN AND US FOLLOWING THE SEPARATION**

For purposes of governing certain of the ongoing relationships between Ocwen and us after the Separation, and to provide for an orderly transition to the status of two independent companies, we have entered or will enter into the agreements with Ocwen described in this section. The forms of agreements summarized in this section are, or will be, included as exhibits to the registration statement on Form 10 that we have filed with the SEC, which relates to this information statement, and the following summaries are qualified in their entirety by reference to the agreements as filed. See "Where You Can Find More Information" on page [ ].

**Separation Agreement**

On the Separation Date, we will enter into the Separation Agreement with Ocwen which will provide for, among other things, the principal corporate transactions required to effect the Separation and certain other agreements relating to the continuing relationship between Ocwen and us after the Separation.

Ocwen may own certain assets which are part of our business, and we may own certain assets which are part of Ocwen's business. Under the Separation Agreement, these assets will be transferred to Altisource (and any related liabilities will be assumed) in the Restructuring so that the assets, liabilities and operations associated with the asset management business will be owned by Ocwen and its subsidiaries, and the assets, liabilities and operations associated with the knowledge process outsourcing business will be owned by us and our subsidiaries. Additionally, the Separation Agreement will require that any assets or liabilities that should have been transferred to us as part of the Altisource business but that were not so transferred to us on the Separation Date, or that were transferred to us but were not part of the Altisource business and so should not have been so transferred, be transferred to either us or Ocwen, as applicable, upon the discovery of the same after the Separation Date. The Separation, when finalized, will include substantially all assets and liabilities that historically were included in the Altisource financial statements.

Under the Separation Agreement, and effective as of the Separation Date, we will assume, and will agree to indemnify Ocwen against, all liabilities, litigation and claims including related insurance costs arising out of our business, and Ocwen will retain, and will agree to indemnify us against, all liabilities, litigation and claims including related insurance costs arising out of Ocwen's businesses. The foregoing obligations will not entitle an indemnified party to recovery to the extent any such liability is covered by proceeds received by such party from any third party insurance policy.

The Separation Agreement also will provide that we both shall be granted access to certain records and information in the possession of the other and will require the retention by each of Ocwen and us for a period of six years following the Separation Date of all such information in its possession.

#### **Transition Services Agreement**

On the Separation Date, we will enter into a Transition Services Agreement with Ocwen. Under this agreement, Ocwen and we will provide to each other services in such areas as human resources, vendor management, corporate services, six sigma, quality assurance, quantitative analytics, treasury, accounting, risk management, legal, strategic planning, compliance and other areas where we, and Ocwen, may need transition assistance and support following the Separation. The Transition Services Agreement will provide generally that Ocwen and Altisource will undertake to provide substantially the same level of service and use substantially the same degree of care as their respective personnel provided and used in providing such services prior to the Separation. The agreement will extend for two years after the Separation but may be terminated earlier under certain circumstances including a default. We expect that all services pursuant to the Transition Services Agreement will be based on fully-allocated cost of providing the service. We expect to estimate the time and expense of providing services and then to charge a fee based on the estimated fully burdened cost of the personnel involved in each activity. We believe that the terms and conditions of the Transition Services Agreement are no less favorable to us than those available from unrelated parties for a comparable arrangement and will result in expenses comparable to those we incur currently.

#### **Tax Matters Agreement**

We will enter into a Tax Matters Agreement with Ocwen on the Separation Date which sets out each party's rights and obligations with respect to deficiencies and refunds, if any, of federal, state, local or foreign taxes for periods before and after the Separation and related matters such as the filing of tax returns and the conduct of IRS and other audits. In general, under this agreement, we will be responsible for taxes attributable to our business incurred after the Separation closing, and Ocwen will be responsible for taxes incurred prior to the closing. In addition, we will indemnify Ocwen for all taxes and liabilities incurred as a result of (1) a breach of a representation made by us to O'Melveny & Myers LLP in connection with its tax opinion or (2) a post-Separation action or omission by us or an affiliate of ours that affects the tax consequences of the Separation.

#### **Employee Matters Agreement**

*General.* We will enter into an Employee Matters Agreement with Ocwen on the Separation Date that will provide for the transition of employee benefit plans and programs sponsored by Ocwen for employees of the

knowledge process outsourcing business and any employees of the corporate office that we hire. This agreement will allocate responsibility for certain employee benefits matters and liabilities after the Separation Date. Under the Employee Matters Agreement, we will become liable for providing specified welfare and retirement benefits to our employees after the Separation Date which will generally be similar to the benefits currently provided to such employees by Ocwen and its subsidiaries (except as otherwise noted herein). We generally expect to adopt new plans that will be similar to the plans maintained by Ocwen. Except as specifically provided in the Employee Matters Agreement, nothing in that agreement will restrict the ability of Ocwen or us to amend or terminate any of our respective employee benefit plans.

*Stock Options and Restricted Stock.* The Employee Matters Agreement provides that, at the time of the Separation, outstanding Ocwen stock options will be adjusted to reflect the value of Altisource stock disbursed to Ocwen shareholders.

With respect to restricted stock, holders of outstanding Ocwen restricted stock as of the date of the Separation will receive one share of restricted stock of Altisource for every three shares of restricted stock of Ocwen consistent with the treatment of Ocwen common stock. These new restricted shares of Altisource will have the same terms and conditions as the Ocwen restricted shares of common stock, including terms of vesting.

*401(k) Plans.* Effective as of the Separation Date, we will adopt a new 401(k) plan for the Altisource business. Within a reasonably short period of time following the Separation, we will transfer all of the assets associated with Altisource employees from the Ocwen 401(k) plan to our new 401(k) plan.

*Health and Welfare Plans.* We will assume all liabilities and responsibilities for providing health and welfare benefits to our employees. As of the Separation Date, we intend to establish health and welfare plans that are substantially similar to Ocwen's plans that cover our employees at such time. For those benefits that are provided through insurance, Ocwen will make commercially reasonable efforts to have each insurance carrier agree to allow our employees to continue to be covered by Ocwen policies or through separate contracts on substantially the same basis during the transition period.

#### **Services Agreement**

On the Separation Date, we will enter into a Services Agreement with Ocwen. Under this agreement, we will provide to Ocwen certain services in connection with the Ocwen business following the Separation. The agreement will have a term of up to eight years after the Separation but may be terminated earlier under certain circumstances including a default of the provisions of the agreement. The specific services to be provided under this umbrella agreement will be set forth separately on a service-by-service basis as will economic terms. Services may be either fixed-price, in which case no yearly increase in service fee applies, or subject to annual increase in service fee based on market conditions and inflation. This agreement will provide Altisource with a right of first opportunity to bid on additional, related services desired to be received by Ocwen. Furthermore, if Ocwen receives a third party offer for the performance of such additional services it must provide Altisource with the opportunity to make its own offer for the same or substantially the same services, in which case Ocwen must accept Altisource's offer if such offer is equal to or better than the third party offer. We expect that all services pursuant to the Services Agreement will be based on market rates prevailing at the time of execution or otherwise on arms-length terms and will be materially similar to the terms of existing arrangements between the parties. We believe that the terms and conditions of the Services Agreement are comparable to those available from unrelated parties for a comparable arrangement.

#### **Technology Products Services Agreement**

On the Separation Date, we will enter into a Technology Products Services Agreement with Ocwen. Under this agreement, we will provide to Ocwen certain Technology Products services in connection with the Ocwen business. The agreement will have a term of up to eight years after the Separation but may be terminated earlier under certain circumstances including a default. As with the Services Agreement, the specific services to be provided under this umbrella agreement will be set forth separately on a service-by-service basis, as will economic terms. Services may be either fixed-price, in which case no yearly increase in service fee applies, or subject to annual increase in service fee based on market conditions and inflation. This agreement will provide Altisource with a right of first opportunity to bid on additional, related services desired to be received by Ocwen. Furthermore, if Ocwen receives a third party offer for the

performance of such additional services it must provide Altisource with the opportunity to make its own offer for the same or substantially the same services, in which case Ocwen must accept Altisource's offer if such offer is equal to or better than the third party offer. We expect that all services pursuant to the Technology Products Services Agreement will be based on market rates prevailing at the time of execution or otherwise on arms-length terms. We believe that the terms and conditions of the Technology Products Services Agreement are no less favorable to us than those available from unrelated parties for a comparable arrangement.

#### **Intellectual Property Agreement**

On the Separation Date, we will enter into an Intellectual Property Agreement with Ocwen. Under this agreement, Ocwen will transfer the intellectual property assets specified therein to Altisource. Additionally, under the Intellectual Property Agreement, Ocwen and Altisource each will license specified intellectual property rights to the other party necessary to permit each party to use and exploit the services received under the various service agreements described in this Information Statement. This Intellectual Property Agreement will have an initial term of eight years, but may be terminated earlier under certain circumstances including a default. The agreement will automatically renew four times for two-year terms. In exchange for the right of each party to use the specified intellectual property, we will pay agreed-upon royalties to Ocwen and Ocwen will pay agreed-upon royalties to us. We expect that all licenses and other rights granted pursuant to the Intellectual Property Agreement will be based on market rates prevailing at the time of execution or otherwise on arms-length terms. We believe that the terms and conditions of the Intellectual Property Agreement are no less favorable to us than those available from unrelated parties for a comparable arrangement.

#### **Data Center and Disaster Recovery Agreement**

On the Separation Date, we will enter into a Data Center and Disaster Recovery Agreement with Ocwen. Under this agreement, we will provide to Ocwen certain data center and disaster recovery services in connection with the Ocwen business. The agreement will have a term of up to eight years after the Separation, but may be terminated earlier by either party under certain circumstances, including a default by the other party. The economic terms for the services to be provided under this agreement will be set forth separately. We expect that all services pursuant to the Data Center and Disaster Recovery Agreement will be based on the fully allocated cost of providing such service.

#### **DIVIDEND POLICY**

We have no current plans to pay dividends. Dividends on our common stock are not cumulative. Decisions regarding the declaration and payment of interim dividends, including with respect to any initial interim dividend, will be at the discretion of our Board of Directors (subject to prior approval of or subsequent ratification by our shareholders) and will be evaluated from time to time in light of our financial condition, earnings, growth prospects, funding requirements, financing arrangements, applicable law and other factors our Board of Directors deems relevant.

#### **Listing and Trading of Our Common Stock**

Before the Separation Date, there will be no public market for our common stock. We have applied to list our common stock on The NASDAQ Stock Market LLC under the symbol "ASPS". Following the Separation, Ocwen's common stock will continue to trade on the New York Stock Exchange under the symbol "OCN".

As of May 1, 2009, there were 67,434,998 shares of Ocwen common stock, \$0.01 par value outstanding. Based on the Separation Ratio of one share of Altisource common stock for every three shares of Ocwen common stock outstanding, we anticipate that Ocwen will distribute up to 22,478,333 shares of our common stock to shareholders, adjusted downward for fractional shares. In addition, as of December 31, 2008, there were 9,428,952 stock options outstanding under Ocwen equity plans that may be exercised for up to 3,142,984 shares of Altisource common stock. Finally, Ocwen has \$56,445 face amount of 3.25% Contingent Convertible Unsecured Senior Notes due 2024 outstanding that may be convertible into 4,638,046 shares of Ocwen common stock, under which 1,546,015 shares of Altisource common stock could be distributed, subject to adjustment. These notes will be convertible prior to the

Separation if the Distribution triggers conversion rights, which would occur if the value of the Altisource common stock distributed in the Distribution has a per share value exceeding 10% of the closing sales price of the Ocwen common stock on the business day preceding the announcement of the Separation. We anticipate that the Distribution will trigger these conversion rights. For additional information see the detailed discussion in the "Risk Factors."

**CAPITALIZATION**

The following table describes our cash and cash equivalents and capitalization as of December 31, 2008 on an actual basis and on an as-adjusted basis to give effect to the Separation. The information presented below should be read in conjunction with "Pro Forma Financial Information," "Management's Discussion and Analysis and Financial Condition and Results of Operations" and our "Combined Consolidated Financial Statements" and the related notes included elsewhere in this information statement.

	As of December 31, 2008	
	Actual	As Adjusted
	(Dollars in thousands)	
Cash	\$ 6,988	\$ 9,988
Line of credit and other secured borrowings	\$ 1,123	\$ 1,123
Total equity	60,546	63,546
Total capitalization	\$ 61,669	\$ 64,669

In connection with the Separation, Ocwen will contribute \$3,000 of cash to Altisource to provide what management believes to be sufficient operating capital for Altisource to operate separately for at least the next twelve months.

**SELECTED FINANCIAL DATA**

The following table sets forth our selected financial data which we have derived from our combined consolidated financial statements for each of the five years in the period ended December 31, 2008. The information set forth below should be read in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations," the "Combined Consolidated Financial Statements" and the notes related to those combined consolidated financial statements and the "Pro Forma Financial Information" and discussion included elsewhere in this information statement. The statements of operations data for the years ended December 31, 2008, 2007 and 2006 and the balance sheet data at December 31, 2008 and 2007 are derived from Altisource's audited combined consolidated financial statements. The unaudited statements of operations data for the years ended December 31, 2005 and 2004 and the unaudited balance sheet data at December 31, 2006, 2005 and 2004 are derived from Altisource's accounting records for those periods and have been prepared on a basis consistent with Altisource's audited combined consolidated financial statements.

The selected financial data is as reported in the historical carve-out financial statements of Altisource beginning on page F-1. The selected financial data may not necessarily reflect Altisource's results of operations and financial position in the future or what results of operations and financial position would have been had Altisource been a separate, stand-alone company during the periods presented. Operating expenses in the historical income statements reflect direct expenses of our business together with allocations of certain Ocwen corporate expenses that have been charged to us based on usage or other methodologies appropriate for such expenses. In our opinion, these assumptions and allocations have been made on a reasonable and appropriate basis under the circumstances. Per share data have not been presented since these financial statements are prepared on a combined basis.

Selected Balance Sheet Data(1)	December 31,				
	2008	2007	2006	2005	2004
Cash(1)	\$ 6,988	\$ 5,688	\$ —	\$ —	\$ —
Accounts receivable, net	9,077	16,770	7,925	10,403	5,317
Goodwill(2)	11,540	14,797	1,618	1,618	1,618
Intangible assets, net(2)	36,391	38,945	—	—	702
Premises and equipment, net	9,304	12,173	9,826	11,242	12,881
Total assets	76,675	92,845	22,205	24,706	23,379
Lines of credit and other secured borrowings	1,123	147	—	—	—
Capital lease obligations	1,356	3,631	3,219	2,603	—
Total liabilities	16,129	17,171	7,357	8,471	4,438



Selected Operations Data	For the Year Ended December 31,				
	2008	2007	2006	2005	2004
Revenue(2)	\$ 160,363	\$ 134,906	\$ 96,603	\$ 89,915	\$ 86,588
Cost of revenue(2)	115,048	96,954	72,163	75,675	64,616
Gross profit	45,315	37,952	24,440	14,240	21,972
Selling, general and administrative expenses	28,088	27,930	17,622	17,953	13,261
Income from operations	17,227	10,022	6,818	(3,713)	8,711
Other income (expense), net	(2,626)	(1,743)	205	(192)	573
Income (loss) before income taxes	14,601	8,279	7,023	(3,905)	9,284
Income tax provision	(5,382)	(1,564)	(1,616)	2,401	(2,789)
Net income	\$ 9,219	\$ 6,715	\$ 5,407	\$ (1,504)	\$ 6,495
Transactions with related parties included above:					
Revenue	\$ 64,251	\$ 59,350	\$ 51,971	\$ 41,312	\$ 49,853
Selling, general and administrative expenses	\$ 6,208	\$ 8,864	\$ 9,103	\$ 9,049	\$ 6,942
Other income (expense), net	\$ 2,269	\$ 965	\$ 503	\$ 679	\$ (56)

- (1) Altisource historically has participated in a centralized cash management program operated by Ocwen. We make a significant amount of our cash disbursements through centralized payable systems which are operated by Ocwen, and we receive a significant amount of our cash receipts and transfer them to centralized accounts maintained by Ocwen with the exception of our Luxembourg entity and NCI which maintain their own cash accounts. The cash in these entities is available for use by us.
- (2) The operations of NCI are included in our combined consolidated financial statements effective June 6, 2007, the date of acquisition. NCI is a receivables management company specializing in contingency collections and customer relationship management for credit card issuers and other consumer credit providers. Total goodwill and intangibles were \$46,313 and \$52,124 at December 31, 2008 and 2007, respectively. NCI revenues and operating expenses (including both cost of revenue and selling, general and administrative expenses) for 2008 were \$69,623 and \$74,763, respectively. For the 2007 period, NCI revenues and operating expenses were \$35,999 and \$38,406, respectively.

## UNAUDITED PRO FORMA FINANCIAL INFORMATION

Altisource was incorporated under the laws of Luxembourg on November 4, 1999 as Ocwen Luxembourg S.à r.l. renamed Altisource Portfolio Solutions S.à r.l. on May 12, 2009 and converted into Altisource Portfolio Solutions S.A. on June 5, 2009. As of the date of the Separation Ocwen will contribute to Altisource the business operations intended to constitute the Altisource businesses that are not already included in Altisource. Altisource also has business operations that will remain with Ocwen after the Separation, and we will distribute those operations to Ocwen as of the date of the Separation. In comparison to the presentation of the three segments that comprised the former Ocwen Solutions line of business within the Ocwen financial statements, these historical results are the same with two exceptions. The operations of BMS Holdings, Inc., an equity investment which we refer to as BMS, and Global Servicing Solutions, LLC, a majority owned consolidated investment which we refer to as GSS, will remain with Ocwen after the Separation. As the operations of these businesses are not similar to our business, are managed and financed autonomously and do not share common facilities with Altisource, we have excluded them from these combined consolidated financial statements. Ocwen includes BMS in its Technology Products segment and GSS in its Mortgage Services segment in its historical financial statements. Neither BMS or GSS are reflected in the historical or pro forma combined consolidated balance sheets or the combined consolidated statements of operations presented herein.

Altisource will enter into a Transition Services Agreement with Ocwen under which we and Ocwen will provide to each other services in such areas as human resources, vendor management, corporate services, six sigma, quality assurance, quantitative analytics, treasury, accounting, risk management, legal, strategic planning, compliance and other areas for up to two years. Each company will provide such services at fully-allocated cost and management believes that such allocations will be materially consistent with current cost levels incurred by Altisource as a part of Ocwen. We have not contemplated any financial impact of this agreement in these pro forma results of operations. We do anticipate that we will incur increased costs associated with being a separate publicly traded company including, but not limited to, maintaining a separate Board of Directors and obtaining a separate audit as well as changes that we expect in our tax profile, personnel needs, financing and operations of the contributed business as a result of the Separation from Ocwen. We also expect to incur costs to relocate certain executives, and to grant a limited number of stock options to executives subsequent to the Separation. We estimate that all of such expenses will range from \$2,000 to \$4,000 per year in excess of amounts currently allocated to us by Ocwen for similar expenses.

**Unaudited Pro Forma Combined Consolidated Balance Sheet  
December 31, 2008**

	<u>Historical</u>	<u>Pro Forma Adjustments</u>	<u>Pro Forma</u>
Cash	\$ 6,988	\$ 3,000(1)	\$ 9,988
Accounts receivable, net	9,077	—	9,077
Prepaid expenses and other current assets	3,021	—	3,021
Deferred tax asset, net	268	—	268
<b>Total current assets</b>	<b>19,354</b>	<b>3,000</b>	<b>22,354</b>
Premises and equipment, net	9,304	—	9,304
Intangible assets, net	36,391	—	36,391
Goodwill	11,540	—	11,540
Other	86	—	86
<b>Total assets</b>	<b>\$ 76,675</b>	<b>\$ 3,000</b>	<b>\$ 79,675</b>
Accounts payable and accrued expenses	\$ 4,767	\$ —	\$ 4,767
Lines of credit and other secured borrowings	1,123	—	1,123
Other	7,129	—	7,129
<b>Total current liabilities</b>	<b>13,019</b>	<b>—</b>	<b>13,019</b>
Capital lease obligations	440	—	440
Deferred tax liability, net	2,670	—	2,670
<b>Stockholder's Equity</b>			
Common stock, EUR 25 par value; 263,412 shares authorized, issued and outstanding	6,059	(6,059)(2)	—
Common stock, USD \$1.00 par value; [x] shares authorized, 22,478,333 shares issued and outstanding at December 31, 2008 on a pro forma basis	—	22,478(3)(4)	22,478
Additional paid-in capital	—	41,068(3)	41,068
Invested equity	54,487	(54,487)(3)	—
<b>Total stockholder's equity</b>	<b>60,546</b>	<b>3,000</b>	<b>63,546</b>
<b>Total liabilities and stockholder's equity</b>	<b>\$ 76,675</b>	<b>\$ 3,000</b>	<b>\$ 79,675</b>

- (1) This amount represents the cash contribution to be made from Ocwen to Altisource in connection with the Separation. Ocwen intends to contribute cash to Altisource such that Altisource has a minimum cash balance of at least \$7,000 at the Separation Date. Management believes that this amount of cash is sufficient for Altisource to begin operations and manage its cash needs through cash flows from operations or from third party borrowing relationships.
- (2) We expect to recapitalize Altisource in connection with the Separation and will cancel existing share capital and replace it with the new capital structure.
- (3) These amounts represent the contribution of Ocwen's invested equity in Altisource into common stock and additional paid-in capital subsequent to the consummation of the Separation. The number of outstanding shares shown approximates one-third of the number of Ocwen shares outstanding as of May 1, 2009. Upon completion of the Separation, the number of shares of our outstanding common stock will approximate one-third of the number of Ocwen outstanding shares on that date.
- (4) If the Separation were to trigger conversion rights under the approximately \$56,445 in aggregate outstanding principal amount of Ocwen's 3.25% Contingent Convertible Unsecured Senior Notes due 2024, additional shares of Altisource's common stock may be outstanding as a result, and, if so, the numbers and percentages listed above would change accordingly. Conversion rights would be triggered if the value of the Altisource common stock distributed in the Distribution has a per share value exceeding 10% of the closing sales price of

the Ocwen common stock on the business day preceding the announcement of the Separation. We estimate that approximately 1,546,015 additional shares of Altisource common stock could be issued if these conversion rights were triggered and all of the note holders exercised these rights. We are unable to estimate the effects of conversions, if any, and accordingly they are not reflected in these amounts.

**Unaudited Pro Forma Combined Consolidated Statement of Operations  
For the Year Ended December 31, 2008**

	Historical	Pro Forma Adjustments	Pro Forma
	(Dollars in thousands, except per share amounts)		
Revenue	\$ 160,363	\$ —	\$ 160,363
Cost of revenue	115,048	—	115,048
Gross profit	45,315	—	45,315
Selling, general and administrative expenses	28,088	—	28,088
Income from operations	17,227	—	17,227
Other expense, net	(2,626)	2,269(1)	(357)
Income before income taxes	14,601	2,269	16,870
Income tax provision	(5,382)	(631)	(6,013)
Net income	<u>\$ 9,219</u>	<u>\$ 1,038</u>	<u>\$ 10,857</u>
Unaudited pro forma basic earnings per share(2)(3)	<u>\$ 0.41</u>		<u>\$ 0.48</u>
Unaudited pro forma diluted earnings per share(4)	<u>\$ 0.41</u>		<u>\$ 0.48</u>
Unaudited pro forma weighted average shares outstanding — basic(2)(3)	<u>22,478</u>		<u>22,478</u>
Unaudited pro forma weighted average shares outstanding — diluted(4)	<u>22,639</u>		<u>22,639</u>

- (1) We reflect an interest charge from Ocwen in other expense which represents an allocation of Ocwen's total interest expense. This charge was calculated based on our assets in comparison to Ocwen's total assets and was \$2,269 in 2008. After the Separation, Ocwen and Altisource will operate inherently different business models and Altisource will no longer be subject to this interest charge from Ocwen. Further, Altisource does not anticipate incurring any new debt for which it will incur interest expense in connection with the Separation.
- (2) Unaudited pro forma net earnings per share — basic is calculated using one-third of the number of outstanding shares of Ocwen as of May 1, 2009. Upon completion of the Separation, the number of shares of our outstanding common stock will approximate one-third of the number of Ocwen outstanding shares on that date.
- (3) If the Separation triggers conversion rights under the approximately \$56,445 in aggregate outstanding principal amount of Ocwen's 3.25% Contingent Convertible Unsecured Senior Notes due 2024, additional shares of Altisource's common stock may be outstanding as a result, and the numbers and percentages listed above might change as a result. Conversion rights would be triggered if the value of the Altisource common stock distributed in the Distribution has a per share value exceeding 10% of the closing sales price of the Ocwen common stock on the business day preceding the announcement of the Separation. We estimate that approximately 1,546,015 additional shares of Altisource common stock could be issued if these conversion rights were triggered and all of the note holders exercised these rights. We are unable to estimate the effects of conversions, if any, and accordingly they are not reflected in these amounts.
- (4) Unaudited pro forma net earnings per share — diluted is calculated using one-third of the number of dilutive Ocwen common stock equivalents as of March 31, 2009 as we expect the stock options and stock awards to be converted to Altisource awards.

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS**

The following discussion should be read in conjunction with other sections of this information statement including Business, Risk Factors, Selected Financial Data, Quantitative and Qualitative Disclosures about Market Risk and the combined consolidated financial statements and the related notes thereto and selected historical financial information included elsewhere herein. The discussion below contains forward-looking statements that are based upon our current expectations which are subject to uncertainty and changes in circumstances. Our actual results may differ materially from the expectations due to changes in global, political, economic, business, competitive and market factors many of which are beyond our control. See "Forward-Looking Statements" included elsewhere herein.

All dollar amounts not related to compensation are in thousands unless otherwise indicated.

Significant components of the management's discussion and analysis of results of operations and financial condition include:

	<u>Page</u>
<i>Overview</i> — The overview section provides a summary of Altisource and our reportable business segments and the principal factors affecting our results of operations. In addition, we provide a brief description of our Separation from Ocwen and our basis of presentation for our financial results.	40
<i>Combined Consolidated Results of Operations</i> — The Combined Consolidated Results of Operations section provides an analysis of our results on a combined consolidated basis for the three years ended December 31, 2008	48
<i>Segment Results of Operations</i> — The segment results of operations section provides an analysis of our results on a reportable operating segment basis for the three years ended December 31, 2008	51
<i>Liquidity and Capital Resources</i> — The liquidity and capital resources section provides a discussion of our combined consolidated cash flows for the three years ended December 31, 2008 and of our outstanding debt and commitments existing at December 31, 2008	56
<i>Critical Accounting Policies and Estimates</i> — The critical accounting policies and estimates section provides detail with respect to accounting policies that are considered by management to require significant judgment and use of estimates that could have a significant impact on our financial statements	58
<i>Recent Pronouncements</i> — The recent pronouncements section provides a discussion of recently issued accounting pronouncements yet to be adopted including a discussion of the impact or potential impact of such standards on our combined consolidated financial statements when applicable	62
<i>Other Matters</i> — The other matters section provides a discussion of related party transactions and provisions of the various Separation related agreements with Ocwen	62
<i>Market Risk</i> — We are principally exposed to market risk related to foreign currency exchange rates. The market risk section discusses how we manage our exposure to these and similar risks	63

## **OVERVIEW**

Altisource provides real estate mortgage portfolio management and related technology products and asset recovery and customer relationship management services.

Our competitive advantage is the ability to manage high value, knowledge-based job functions efficiently while reducing operating variability. In general, we utilize integrated technology solutions that include pre-determined call scripts for our customer service personnel based on psychological principles and decision models. We operate our technology platforms to manage large scale distributed networks of vendors. This allows our customers to improve their business processes while reducing costs. Along with expanding our use of integrated technology solutions, a central tenet to our strategy is a focus on selling output or solutions, thereby enabling us to convert operational efficiency gains into higher margins and profitability per employee.

We manage our operations through three reporting segments: Mortgage Services, Financial Services and Technology Products.

Mortgage Services provides due diligence, valuation, real estate sales, default processing services, property inspection and preservation services, homeowner outreach, closing and title services and knowledge process outsourcing services. Our services span the lifecycle of a mortgage loan from origination through the disposition of real estate owned properties ("REO").

Financial Services comprises our asset recovery management services and customer relationship management to the financial services, consumer products, telecommunications and utilities industries. We specialize in, and our primary source of revenues for this segment is, contingency collections and customer relationship management for credit card issuers and other consumer credit providers. In June 2007, we acquired Nationwide Credit, Inc., one of the ten largest accounts receivable management companies in the United States.

Technology Products is responsible for the design, development and delivery of technology products and services to the mortgage industry including our REAL suite of applications that provide technology products to serve the needs of servicing and origination businesses. Our offerings include residential and commercial loan servicing and loss mitigation software, vendor management and a patented vouchless payable system to manage and oversee payments to large-scale vendor networks and information technology services. We build all of our technology platforms to be scalable, highly secure, flexible, standards-based and web connected. Standards and web connectivity ensure that our customers find our products easy to use. Further, we bring new products to market quickly because of the investments that we made in integrating our technology.

For additional information regarding our segments please refer to the discussions under the Business section of this document.

#### ***Separation from Ocwen***

On November 12, 2008, the Board of Directors of Ocwen authorized management to pursue a reorganization of a number of predominantly non-U.S. operations including its knowledge process outsourcing business to be known as Altisource. On the Separation Date, we will distribute all of the shares of Altisource common stock to Ocwen's shareholders in a tax-free distribution. Ocwen's shareholders will receive one share of Altisource common stock for every three shares of Ocwen common stock they hold on the Record Date. Upon the Separation, Altisource will no longer be part of Ocwen.

In connection with the Separation, we and Ocwen entered into the Separation Agreement as well as certain other agreements to govern the terms of the separation and certain ongoing relationships between Ocwen and us subsequent to the Separation. These agreements include a Transition Services Agreement, Tax Matters Agreement, Employee Matters Agreement, Intellectual Property Agreement, Services Agreement, Technology Products Services Agreement and Data Center and Disaster Recovery Services Agreement. These related party agreements are more fully described below and in the notes to the combined consolidated financial statements.

#### ***Basis of Presentation***

Our historical combined consolidated financial statements include assets, liabilities, revenues and expenses directly attributable to our operations carved out of the historical operations of Ocwen's consolidated financial statements. Our historical financial statements also reflect allocations of corporate expenses from Ocwen based on use, percentage of time or other methodologies management believes appropriate for such expenses. These corporate expenses primarily reflect an allocation to us of a portion of the compensation and related costs of certain senior officers and other personnel of Ocwen who will not be our employees after the Separation, but who historically provided services to us.

The historical financial statements included in this information statement may not be indicative of our future performance as a separate company following the Separation and do not necessarily reflect what our financial position, results of operations and cash flows would have been had we operated as a separate, stand-alone public entity during the periods presented. As part of Ocwen, we share certain corporate functions with Ocwen and Ocwen allocates a portion of its expenses to us to reflect our share of such expenses. We expect to enter into a Transition Services Agreement with Ocwen under which we and Ocwen will continue to share resources and provide services to each other on a fully allocated cost basis for up to two years. These services will include such services as human

resources, vendor management, corporate services, six sigma, quality assurance, quantitative analytics, treasury, accounting, risk management, legal, strategic planning, compliance and other services. Given that these services will be at fully allocated cost, we expect that our costs will be approximately equal before and immediately after the Separation. However, we will need to transition away from Ocwen over the next two years, which likely will increase the overall costs that we incur as we no longer will benefit from the economies of scale we generated as part of a larger organization and likely will have duplication of functions that would not be necessary if we were to remain within the Ocwen organization. We also will incur other expenses as a result of being a separate publicly traded company that are not reflected in our historical financial statements. These additional expenses include, but are not necessarily limited to:

- maintaining a separate Board of Directors;
- obtaining a separate audit including additional audit procedures in 2010 to comply with the provisions of Section 404 of the Sarbanes-Oxley Act;
- utilizing legal counsel to review the additional public company filings and paying listing and other fees;
- purchasing separate Directors and Officers and other insurance protection;
- incurring taxes separate from Ocwen's consolidated U.S. federal income tax return that may result in a higher effective income tax rate than we have calculated in our historical financial statements included herein;
- paying relocation expenses for certain executive management;
- incurring potentially higher financing costs should we need to borrow monies to maintain or grow our operations; and
- hiring additional support staff in areas previously provided by Ocwen.

We estimate that these additional expenses will be between \$2,000 and \$4,000 per year, resulting in higher expenses that we will record in our results of operations. This estimate includes from \$500 to \$700 for the Board of Directors fees and expenses, \$700 to \$1,000 for audit fees, \$200 to \$400 for legal counsel and fees, \$300 to \$500 for additional insurance, \$1,000 to \$1,600 for additional personnel and \$500 to \$1,000 for other expenses, all net of approximately \$1,200 currently being allocated to Altisource by Ocwen for these expenses. The amount and timing of when we incur such additional expenses will increase the variability of our earnings and cash flows after the Separation. If we are unable to lower other expenses or increase revenues, these additional expenses also will lower our earnings and our cash flows.

We generated 40.1% of our revenues in 2008 from Ocwen businesses not included in the Separation or services derived from Ocwen's loan servicing portfolio. We anticipate that Ocwen will continue to be a significant customer for Altisource for the foreseeable future. We currently provide these services at rates that we consider to be at market. We expect that the prices that we will charge for these services beginning with the Separation Date will be determined pursuant to these services agreements, with such prices subject to revision at specified intervals. However, if market conditions change and we are required to provide services to Ocwen at below market rates, we could experience decreased earnings and cash flows as well as greater variability in our performance compared to our historical results.

The assets and liabilities assigned to us pursuant to the Separation Agreement are accounted for at the historical book values of such assets and liabilities. Prior to the separation, Ocwen centrally managed the cash flows generated from our various activities.

**COMBINED CONSOLIDATED RESULTS OF OPERATIONS**

The following table summarizes our combined consolidated operating results for the periods indicated. The transactions with related parties included in this table and throughout this Management's Discussion and Analysis of Financial Condition and Results of Operations consist of transactions with Ocwen businesses not included in the Separation or transactions derived from Ocwen's loan servicing portfolio.

	For the Years Ended December 31,			2008-2007	2007-2006
	2008	2007	2006	% Change	% Change
	(Dollars in thousands)				
Revenue	\$ 160,363	\$ 134,906	\$ 96,603	18.9%	39.6%
Cost of revenue	115,048	96,954	72,163	18.7%	34.4%
Gross profit	45,315	37,952	24,440	19.4%	55.3%
Selling, general and administrative expenses	28,088	27,930	17,622	0.6%	58.5%
Income from operations	17,227	10,022	6,818	71.9%	47.0%
Other income (expense)					
Interest income	16	6	—	166.7%	—
Interest expense	(2,607)	(1,932)	(789)	34.9%	144.9%
Other, net	(35)	183	994	(119.1)%	(81.6)%
Total other income (expense), net	(2,626)	(1,743)	205	50.7%	(950.2)%
Income before income taxes	14,601	8,279	7,023	76.4%	17.9%
Income tax provision	(5,382)	(1,564)	(1,616)	244.1%	(3.2)%
Net income	\$ 9,219	\$ 6,715	\$ 5,407	37.3%	24.2%
Transactions with related parties included above:					
Revenue	\$ 64,251	\$ 59,350	\$ 51,971	8.3%	14.2%
Selling, general and administrative expenses	\$ 6,208	\$ 8,864	\$ 9,103	(30.0)%	(2.6)%
Other income (expense), net	\$ 2,269	\$ 965	\$ 503	135.1%	91.8%

**Revenues**

We completed the year ended December 31, 2008 with \$160,363 in consolidated revenues as compared to \$134,906 in 2007, an 18.9% increase. The year ended December 31, 2007 was a 39.6% increase over 2006 revenues of \$96,603. The following table summarizes the net operating revenues by segment for the years ended December 31, 2008, 2007 and 2006:

	For the Years Ended December 31,			2008-2007	2007-2006
	2008	2007	2006	% Change	% Change
Mortgage Services	\$ 54,956	\$ 64,260	\$ 59,729	(14.5)%	7.6%
Financial Services	73,835	41,293	7,666	78.8%	438.7%
Technology Products	45,283	36,235	34,630	25.0%	4.6%
Corporate and eliminations	(13,711)	(6,882)	(5,422)	(99.2)%	(26.9)%
Total revenues	\$ 160,363	\$ 134,906	\$ 96,603	18.9%	39.6%

Mortgage Services principally generates revenue by providing professional outsourced services that span the lifecycle of a mortgage loan. Although we provide a balanced set of product services related to both mortgage originations and mortgage default services, our revenues are subject to fluctuation based on prevailing market



conditions. Mortgage Services grew from 2006 to 2007 due primarily to increasing revenues from valuation and title searches offered principally in connection with mortgage originations. Revenue from these services peaked in the fourth quarter of 2007 and declined throughout 2008 resulting in lower revenues in the current year. We also experienced declining revenues in our mortgage due diligence business from the reduction in new residential loan originations resulting from the current mortgage crisis. We partially offset these revenue declines in 2008 by expanding our products to include more offerings relating to mortgage default management including property inspection and property preservation, closing and title services and default processing services. We expect these new products to help stabilize our mortgage services revenue and drive revenue growth for us in 2009.

Financial Services revenues increased to \$73,835 for the year ended December 31, 2008 from \$41,293 in the prior period primarily from our acquisition of NCI in June 2007. NCI contributed net incremental revenues of \$69,623 in 2008 (\$35,999 of incremental revenues subsequent to June 2007). Partially offsetting this increase is a decline in our remaining Financial Services business primarily resulting from our decision to stop serving certain customers from whom we were not earning an acceptable profit level. We continue to evaluate our Financial Services product offerings and customer mix with a growing focus towards our most profitable customers and/or those we believe have growth potential.

The increase in Technology Products revenue resulted from providing support services to NCI since the June 2007 date of acquisition and from a change in our billings to Ocwen and inter-segment charges from a cost-based method to market-based rate card in the second quarter of 2008. Under the cost-based method, we based our billings to Ocwen and our inter-segment charges on our expectation of costs for providing such services. We performed these cost-based billings on overall expectations of how we would allocate our resources with limited changes to reflect actual costs. Our market-based rate cards include charges for specific functions or services that we provide that are at rates that we believe approximate what market participants would charge in arms-length transactions. We establish the rates based on specific functions such as the number of loans processed on the Altisource licensed system or the number of employees that are using the applicable systems. We bill for these services on a monthly basis, and the billings change monthly based on activity levels. We change the rates periodically based on changes we identify in the market, but generally maintain consistent rates from month to month. This change resulted in approximately \$6,000 greater revenues in the current year. We believe these rates to be market rates as they are consistent with one or more of the following: the fees we charge to other customers for comparable services; the rates Ocwen pays to other service providers; market surveys prepared by unaffiliated firms; and prices being charged by our competitors. These revised rates are materially consistent with the rates we will charge Ocwen under the various long-term servicing contracts into which we will enter in connection with the Separation.

We intend to cross-sell our mortgage services and technology products going forward and believe doing so will increase the overall value we provide to our customers as well as improve the margins that we earn.

#### ***Cost of revenue***

Cost of revenue includes: (i) payroll and employee benefits associated with personnel employed in customer service roles; (ii) fees paid to external providers of valuation, title, due diligence and other outsourcing services as well as printing and mailing costs for correspondence with debtors; and (iii) technology and telephone expenses as well as depreciation and amortization of operating assets.

Cost of revenue increased 18.7% in 2008 compared to an 18.9% increase in revenues. Our gross profit grew 19.4% to \$45,315 in 2008. The \$18,094 increase in cost of revenue consists of \$29,524 incremental costs relating to our inclusion of the NCI results for a full year in 2008 compared to a partial year in 2007, partially offset by decreases in cost of revenue in our Mortgage Services segment. The cost reductions resulted from leveraging our workforce, our proprietary processes and the embedded technology. These cost reductions, as well as the change to a market-based rate card in our Technology Products segment noted above, enabled us to improve our gross profit by \$7,363 from 2007 to 2008 despite a decline in revenues when adjusting for the impact of NCI.

Cost of revenue increased 34.4% in 2007 from 2006 levels due to the inclusion of NCI since acquisition. These expenses decreased 2.8% exclusive of the additional expenses from NCI due primarily to cost savings we generated in our legacy Financial Services business and in our Technology Products segment.

***Selling, general and administrative expenses***

Selling, general and administrative expenses increased \$158 or 0.6% from 2007 to 2008. This increase includes \$6,409 of additional expenses in NCI due to our including their operating results for a full year in 2008 offset by net decreases of \$6,251 from our remaining operations. We generated these net decreases primarily by reducing the number and cost of our personnel supporting our Mortgage Services operations. By increasing the utilization of our technology, maximizing the benefits of our diverse workforce and limiting the use of external professional services, we reduced our internal costs and the allocation of costs charged to us by Ocwen. We anticipate that these cost improvements will continue to benefit us in 2009 but may be offset to some degree by the costs associated with the growth and development of our new products. Further, the additional costs of being a separate public company that we will incur after the Separation will offset or may exceed the benefits of these improvements and we may have higher selling, general and administrative costs in the future as a result.

We also generated cost savings in 2007 with selling, general and administrative expenses declining 7.3% exclusive of the additional expenses from NCI.

***Income from Operations***

Cost savings in cost of revenues and in selling, general and administrative expenses and the change to a market-based rate card noted above enabled us to improve our income from operations by 71.9%, or \$7,205, from 2007 to 2008. We consistently have expanded our income from operations margin over the periods presented even while we have continued to invest significant resources in developing new offerings. We accomplished this improvement despite a decline in revenues in 2008 when excluding the impact of NCI. In 2007, we increased our income from operations by 47.0%, or \$3,204, driven principally by an increase in revenues and a reduction in costs. We continue to be focused on lowering our costs across all of our segments to grow profits while we seek to grow revenues.

***Income before income taxes***

Other income (expense), net included an increase in expenses in 2008 as a result of higher charges from Ocwen resulting from our acquisition of NCI. Income before income taxes increased 76.4% due primarily to the cost reductions and greater margins in Technology Products as noted above.

Other income (expense), net also included an increase in interest expense and in other expenses in 2007 relating to the debt incurred and interest charges from Ocwen in connection with our acquisition of NCI. Income before income taxes increased 17.9% which includes a loss of \$3,716 in NCI. Adjusting for the NCI loss, income before income taxes increased 70.8% due primarily to the cost reductions described above.

***Income Tax Provision***

Income tax provision was \$5,382, \$1,564 and \$1,616 for 2008, 2007 and 2006, respectively. Our effective tax rate on a stand alone basis was 36.9%, 18.9% and 23.0% for 2008, 2007 and 2006, respectively. Income tax provision on income before income tax differs from amounts that would be computed by applying the Luxembourg federal corporate income tax rate of 29.6% primarily because of the effect of differing tax rates outside of Luxembourg, indefinite deferral on earnings of non-U.S. affiliates and changes in the valuation allowance. The principal contributing factor to the increased effective tax rate for 2008 was an increase in valuation allowance particularly related to certain states and the impact of foreign tax positions including related deferrals. See Note 14 to our combined consolidated financial statements for a reconciliation of taxes at the statutory rate to actual income tax provision.

We expect that our effective tax rate in future periods will be consistent with 2007 and 2006 levels given our proposed operating structure, which is a rate in the low to mid twenty percent range.

**SEGMENT RESULTS OF OPERATIONS**

The following section provides a discussion of our operating results by our business segments for the years ended December 31, 2008, 2007 and 2006:

	<u>Mortgage Services</u>	<u>Financial Services</u>	<u>Technology Products</u>	<u>Corporate and Eliminations</u>	<u>Altisource Portfolio Solutions</u>
Revenues	\$ 54,956	\$ 73,835	\$ 45,283	\$ (13,711)	\$ 160,363
Cost of revenue	36,392	62,590	29,777	(13,711)	115,048
Gross profit	18,564	11,245	15,506	—	45,315
Selling, general and administrative expenses	5,027	17,168	6,118	(225)	28,088
Income from operations	13,537	(5,923)	9,388	225	17,227
Interest income	—	16	—	—	16
Interest expense	(58)	(1,977)	(572)	—	(2,607)
Other	—	9	181	(225)	(35)
Other expense, net	(58)	(1,952)	(391)	(225)	(2,626)
Income (loss) before income taxes	\$ 13,479	\$ (7,875)	\$ 8,997	\$ —	\$ 14,601
Transactions with related parties included above:					
Revenue	\$ 41,635	\$ 1,181	\$ 35,146	\$ (13,711)	\$ 64,251
Selling, general and administrative expenses	\$ 3,633	\$ 595	\$ 1,980	\$ —	\$ 6,208
Other income (expense), net	\$ (58)	\$ (1,833)	\$ (378)	\$ —	\$ (2,269)

Transactions between segments primarily consist of IT infrastructure services and charges for the use of certain REAL products from our Technology Products segment to our other two segments. Generally, we reflect these charges within cost of revenue in the segment receiving the services, except for consulting services, which we reflect in selling, general and administrative expenses. All material inter segment transactions are eliminated.

**Mortgage Services**

	Year Ended December 31,		
	2008	2007	2006
<b>Selected statement of operations data</b>			
Revenues:			
Residential property valuation	\$ 28,401	\$ 30,777	\$ 26,603
Closing and title services	13,173	13,834	10,470
Knowledge process outsourcing	11,683	11,241	10,461
Mortgage due diligence	481	8,153	11,604
Other(1)	1,218	255	591
Total revenue	54,956	64,260	59,729
Cost of revenues	36,392	44,158	43,807
Gross profit	18,564	20,102	15,922
Selling, general and administrative expenses	5,027	7,876	8,294
Income from operations	13,537	12,226	7,628
Other expense, net	(58)	(90)	(34)
Income before income taxes	<u>\$ 13,479</u>	<u>\$ 12,136</u>	<u>\$ 7,594</u>
Transactions with related parties included above:			
Revenue	\$ 41,635	\$ 40,646	\$ 31,301
Selling, general and administrative expenses	\$ 3,633	\$ 4,507	\$ 4,242
Other income (expense), net	\$ (58)	\$ (90)	\$ (207)

(1) Other primarily includes property inspection and preservation services.

*Revenues*

In our Mortgage Services segment, we generate the majority of our revenue by providing outsourced services that span the lifecycle of a mortgage loan. In addition to our relationship with Ocwen, we have longstanding relationships with some of the leading capital markets firms, commercial banks, hedge funds, lending institutions and insurance companies and provide products that enhance their ability to make informed investment decisions and manage their core operations.

We experienced a strong mortgage origination market through the end of 2006. In that environment, we typically generate the majority of our revenues from services related to new loan originations and from loan refinancings. As the market weakened and borrowers became more delinquent, our customers began to require more mortgage default management services. Rather than performing valuations on pools of relatively new loan originations, we shifted to performing broker price opinions for non-performing loans as well as closing and title services for related transactions.

Our valuation, closing and title services revenues increased in 2007 due to rising delinquencies and foreclosures throughout the year partially offset by lower revenues relating to loan originations. Revenues declined in 2008 as loan originations continued to decrease partially offset by an increase in services to assist holders of delinquent loans.

We determined early in 2008 to scale down the mortgage due diligence services due to a lack of demand. We shifted these resources to other areas, including our outsourcing services for which we increased our revenues by gaining a greater share of our customers' outsourcing needs.

We launched several new products in the fourth quarter of 2008 that we reflected in the Other category. These new products include property inspection and preservation services, default processing services, title agency

services and homeowner outreach. We also began REO sales in the first quarter of 2009 and expect these new products to drive revenue growth in 2009 and beyond.

*Cost of revenue*

We decreased our cost of revenue by 17.6% in 2008 and increased our cost of revenue by 0.8% in 2007 compared to a 14.5% decrease in revenues in 2008 and a 7.6% increase in revenues in 2007. These changes resulted in an increase in our gross profit from 26.7% of revenue in 2006 to 31.3% in 2007 and to 33.8% in 2008. We accomplished these improvements primarily by continuing to increase the utilization of our proprietary technology as well as by scaling back our mortgage due diligence services that had lower margins. Partially offsetting this improvement was the impact of new product launches for which we incurred personnel and other costs to establish the products with minimal revenues during 2008.

*Selling, general and administrative expenses*

We decreased our selling, general and administrative expenses by 36.2% in 2008 and by 5.0% in 2007. Consistent with the changes in cost of revenue, we generated these improvements by continuing to increase our utilization of our technology and lowering our overhead costs.

*Income from operations and Income before income taxes*

We increased our income from operations by 10.7% in 2008 and by 60.3% in 2007. The improvements in 2008 resulted from our cost saving measures and were achieved despite a 14.5% decline in revenues. The greater increase in 2007 is due to cost savings in addition to a 7.6% increase in revenue.

Income before income taxes increased 11.1% in 2008 and 59.8% in 2007. These increases generally are consistent with the increases in income from operations and result from the same factors.

**Financial Services**

	Year Ended December 31,		
	2008	2007	2006
<b>Selected statement of operations data</b>			
Revenues:			
Asset recovery management	\$ 62,771	\$ 36,802	\$ 7,666
Customer relationship management	11,064	4,491	—
Total revenue	73,835	41,293	7,666
Cost of revenue	62,590	32,324	5,219
Gross profit	11,245	8,969	2,447
Selling, general and administrative expenses	17,168	14,787	3,173
Loss from operations	(5,923)	(5,818)	(726)
Other income (expense), net	(1,952)	(1,269)	340
Loss before income taxes	\$ (7,875)	\$ (7,087)	\$ (386)
Transactions with related parties included above:			
Revenue	\$ 1,181	\$ 1,044	\$ 2,070
Selling, general and administrative expenses	\$ 595	\$ 1,817	\$ 1,581
Other income (expense), net	\$ (1,833)	\$ (544)	\$ —

*Revenues*

In our Financial Services segment, we generate the majority of our revenue from asset recovery management fees we earn for collecting amounts due to our customers and from fees we earn for performing customer relationship management for our customers. We acquired NCI effective June 6, 2007 and began including its results in ours on that date. The increases in revenues are due to the inclusion of NCI's results for a portion of the year in 2007 and for the full year in 2008.

*Cost of revenue*

Cost of revenue increased \$30,266 in 2008 and \$27,105 in 2007 primarily due to the acquisition of NCI in June 2007. Cost of revenue increased from 68.1% of revenues in 2006 to 78.3% in 2007 and 84.8% in 2008. We began to expand our existing operations late in 2007 and continued this expansion in 2008 in order to provide capacity to migrate more of our collections functions to lower cost areas. We incurred additional training and recruiting costs as we built the new facility and ramped up staffing. We also generated lower collections per dollar placed with us in 2008 which we believe is consistent across the collections industry and is due to the general economic downturn in the U.S. and elsewhere. Finally, we incurred higher technology costs in 2008 relating to the acceleration of depreciation on a predictive dialer that we replaced and the addition of other technology assets. We reflect these costs in our Technology Products segment as well but eliminate the duplicate amounts in consolidation. We fully depreciated this dialer in 2008 and reduced many of our technology costs during the year. We also reduced the number of collectors late in 2008 without a corresponding decrease in revenue.

The general economic conditions have caused our collection rates, or dollars collected as a percentage of dollars placed, to decline over the entire period during which we owned NCI. We are focusing on controlling our costs during these difficult times. We believe these changes will result in decreased cost of revenues as a percent of revenues in 2009 as compared to the levels in 2008, thereby increasing gross margins for this segment.

*Selling, general and administrative expenses*

Selling, general and administrative expenses increased 16.1% in 2008 and 366.0% in 2007 primarily because of our inclusion of NCI in our results beginning in June 2007. These expenses declined 7.7% in 2008 except for the increase relating to NCI.

*Loss from operations*

Our loss from operations increased by \$5,092 in 2007 due to the addition of losses from NCI and lower revenues in our legacy collections business. In 2008, our loss from operations increased by \$105 despite including NCI for a full year reflecting improvements we made in operations in 2008.

*Other income (expense), net and Loss before income taxes*

Other income (expense), net primarily includes interest expenses on NCI's debt and an interest charge from Ocwen for its investment in NCI. These amounts increased from 2007 to 2008 due to our inclusion of NCI for a full year in 2008.

Financial Services incurred losses before income taxes of \$7,087 in 2007 and \$7,875 in 2008. NCI incurred losses before income taxes of \$3,716 in 2007 and \$7,094 in 2008. We are focused on reducing our costs in this segment and on profitability per client. We began to show improvements in the fourth quarter of 2008 and anticipate that these improvements will continue into 2009.

**Technology Products**

	Year Ended December 31,		
	2008	2007	2006
<b>Selected statement of operations data</b>			
Revenues:			
IT infrastructure services	\$ 24,820	\$ 17,907	\$ 17,987
REAL suite	20,463	18,328	16,643
Total revenue	45,283	36,235	34,630
Cost of revenue	29,777	27,354	28,559
Gross profit	15,506	8,881	6,071
Selling, general and administrative expenses	6,118	6,359	7,027
Income (loss) from operations	9,388	2,522	(956)
Other (expense) income, net	(391)	708	771
Income (loss) before income taxes	\$ 8,997	\$ 3,230	\$ (185)
Revenue from transactions with other operating segments	\$ 13,711	\$ 6,882	\$ 5,422
Transactions with related parties included above:			
Revenue	\$ 21,435	\$ 17,660	\$ 18,600
Selling, general and administrative expenses	\$ 1,980	\$ 2,540	\$ 3,280
Other income (expense), net	\$ (378)	\$ (331)	\$ (296)

*Revenues*

Our change to a market-based rate card in the second quarter of 2008 resulted in our recording revenues of approximately \$6,000 more in 2008 than we would have recorded had we continued to use the cost-based system. Approximately \$4,100 of this increase related to IT infrastructure services and \$1,900 related to REAL products revenues. Additionally, revenues increased primarily due to our commencing IT infrastructure services to NCI in June 2007. Revenues from NCI were \$7,928 in 2008 and \$2,179 in 2007. The increase in 2008 related to 2008 being a full year and to significant technology additions for NCI during the year. These included replacing a predictive dialer and improving the telephony and call recording capabilities of the operation in order to better serve our customers. Excluding the impact of the billing change and the addition of NCI, IT infrastructure services revenues decreased 18.4% in 2008 as Ocwen reduced its staffing levels throughout the year and therefore required less IT infrastructure services.

Revenues from our REAL suite of products increased in 2008 due primarily to the billing changes described above and as a result of higher fees for our transaction based products. Although we generated higher revenues in 2008 than in 2007, we experienced softness in these revenues late in 2008 as transaction volumes began to decline and the number of loans serviced by Ocwen contracted. However, we anticipate that the new products we launched in our Mortgage Services segment will drive higher transaction volumes for our REAL products thereby offsetting these negative trends over time and enabling us to maintain the current level of our Technology Products revenues.

*Cost of revenue*

We increased cost of revenue by 8.9% in 2008 after decreasing them by 4.2% in 2007. In connection with our acquisition of NCI in June 2007, we transferred NCI's IT infrastructure services staff to our Technology Products segment and began managing NCI's IT infrastructure services function. This change increased our expenses in Technology Products in 2007, but we offset this increase with reductions in the remainder of our operations. The decrease in our cost of revenue from 2006 to 2007 relates primarily to lower depreciation on technology assets as many of these assets became fully depreciated in 2006.

Late in 2007 and throughout 2008, we consolidated the NCI support function with our operations eliminating many of the NCI positions and enabling us to minimize the increase in our cost of revenue. Our billings to NCI increased over \$5,700 from 2007 to 2008 due to providing support for the full year in 2008 while our cost of revenue increased only \$2,423. We continue to focus on cost reductions in this area and believe we are well positioned to continue providing high quality service while lowering costs through 2009.

*Selling, general and administrative expenses*

We decreased our selling, general and administrative expenses in our Technology Products segment by 3.8% in 2008 and by 9.5% in 2007. These decreases generally were due to decreasing the number of staff in this function in each year.

*Income (loss) from operations*

We increased our income from operations by 272.2% in 2008 and by 363.8% in 2007. The increase in 2008 was due to our change to a market-based rate card as described above as well as to the cost savings we generated during the year. The improvement in 2007 is due primarily to lower depreciation expenses as many of our technology assets became fully depreciated during the year, and our depreciation expense declined as a result.

**LIQUIDITY AND CAPITAL RESOURCES**

*Liquidity*

Management believes our ability to generate cash flow from operations, coupled with cash on hand will be adequate to meet anticipated cash requirements which principally include operational expenditures, working capital and capital spending. Management believes that Altisource will have sufficient cash and other financial resources to fund current operations and meet its obligations beyond the next twelve months without incurring additional debt. Ocwen intends to contribute cash to us sufficient to ensure that we have a minimum cash balance of at least \$7,000 at the Separation Date.

Total borrowings and cash as presented in the accompanying historical combined consolidated financial statements reflect only those balances we required to operate as a subsidiary of Ocwen. Historically, Ocwen has centrally managed the majority of the consolidated company's financing activities in order to optimize its costs of funding and financial flexibility at the corporate level. In addition, Ocwen has allocated interest expense to us based upon our portion of assets to Ocwen's total assets which has resulted in interest charges reflected on our combined consolidated statement of operations. These interest charges reflect an allocation and are not indicative of the interest charge we expect to incur as a separate company. Actual interest expense incurred by Altisource historically includes our line of credit and other secured borrowings, as well as interest expense associated with capital leases.

As a separate company, Altisource intends to employ a disciplined cash policy that seeks first to maintain a strong balance sheet and second to invest in compelling growth opportunities that include development of new services, primarily within our Mortgage Services segment, as well as acquisitions. In most cases, we are able to grow our business organically with little to no additional capital. Furthermore, for over 60% of the revenues we earn, we are paid as we provide the service or within a limited timeframe (i.e., within one week) which minimizes our working capital requirements and ensures sufficient timely cash flows to fund operations. Furthermore, our operations generated strong cash flow in each of the past three years and only required a contribution from Ocwen in order to acquire NCI in June 2007. We expect to continue to generate positive cash flow from operations throughout 2009 and in subsequent years.

We may be restricted initially from pursuing larger acquisitions. However, we believe we still will be able to complete a number of strategic transactions that will be accretive to our operations and will not require a significant use of cash to complete. The limitations on the use of our stock in an acquisition are due to our desire to maintain the tax-free nature of the Distribution. For a period of two years following the Separation, issuances of 50% or more of our common stock to one entity may cause the Distribution to lose its tax-free treatment for Ocwen. However, we believe that the impact of such loss of the tax-free treatment for Ocwen would be mitigated substantially because Ocwen shall recognize substantially all of its gain in the Altisource business in connection with the Restructuring as more fully described under "Certain United States Federal Income Tax Consequences of the Separation".



In June 2009, the Company terminated its existing revolving credit facility after considering its positive operating cash flows year-to-date and the administrative costs of maintaining the facility. We continue to believe that the Company has sufficient operating cash flows and, if necessary, access to debt markets at reasonable costs as well as equity markets (subject to the limitations described above) to finance our operations for at least the next twelve months even without this credit facility.

*Cash Flows*

	For the Years Ended December 31,			2008-2007 % Change	2007-2006 % Change
	2008	2007	2006		
Net income adjusted for non-cash	\$ 21,055	\$ 13,660	\$ 13,906	54.1%	(1.8)%
Working capital	7,850	(5,631)	483	(239.4)%	NM
Cash flow from operations	28,905	8,029	14,389	260.0%	(44.2)%
Cash flow from investing activities	(5,216)	(56,777)	(8,211)	90.8%	(591.5)%
Cash flow from financing activities	(22,389)	54,436	(6,178)	(141.1)%	981.1%
Net change in cash	1,300	5,688	—	(77.1)%	100.0%
Cash at beginning of period	5,688	—	—	NM	NM
Cash at end of period	\$ 6,988	\$ 5,688	\$ —	22.9%	NM

NM= not meaningful

Cash flow from operations consists of two components including net income adjusted for certain non-cash items (e.g., depreciation, amortization) and working capital. We generated \$28,905 in cash flows from operations for the year ended December 31, 2008 which represents our improved operating performance during 2008 as compared to 2007 as well as significant working capital improvement particularly with respect to accounts receivable.

For the year ended December 31, 2007, we generated \$8,029 in cash flow from operations that, when compared to the year ended December 31, 2006, principally reflects a decline in working capital attributable to both accounts receivable and accounts payable and other accrued expenses.

Historically, we have spent between \$4,500 and \$9,000 on capital expenditures for the periods presented which was primarily spent on computer hardware and software to enhance our service offerings and to maintain our information technology infrastructure. The decrease in capital expenditures since 2006 is reflective of tighter controls and increased focus on ensuring that any amounts spent contribute to return on assets. We expect expenditures in 2009 to approximate or be somewhat higher than 2008 as we continue to invest in new product offerings and services. More specifically, we used \$5,216 of cash for investing activities in 2008 compared to \$56,777 in 2007. This large 2007 amount relates to our acquisition of NCI in June 2007 for which we used \$25,041 of cash and financed the remainder with debt.

Our cash flows from financing activities primarily include the net change in our invested equity balance. Historically, we participated in a centralized cash management program with Ocwen. We made a significant amount of our cash disbursements through centralized payable systems which were operated by Ocwen, and a significant amount of our cash receipts were received by us and transferred to centralized accounts maintained by Ocwen. There were no formal financing arrangements with Ocwen, and we recorded all cash receipts and disbursement activity between us and Ocwen through invested equity in the combined consolidated balance sheets and as net distributions or contributions to parent in the combined consolidated statements of invested equity and cash flows because we consider such amounts to have been contributed by or distributed to Ocwen. The significant cash outflow in 2008 is due to our generating cash flows from operating activities that we transferred to Ocwen as part of the \$21,090 net distribution to Parent in 2008.

*Committed Facility*

In July 2008, NCI entered into a revolving secured credit agreement with a financial institution that provides for borrowings, secured by and limited to eligible accounts receivable of NCI, of up to \$10,000 through July 2011. The Company terminated this facility on June 23, 2009.

**Capital Resources***Changes in Financial Condition*

Total assets decreased by 17.4% in 2008 primarily due to collections we made on receivables, accumulated depreciation on premises and equipment in excess of new additions, amortization of intangible assets with no additions and a reduction in goodwill. In 2008, we recorded amortization of goodwill for income tax purposes that we reflected as a reduction in goodwill in accordance with Statement of Financial Accounting Standards ("SFAS") No. 109, "Accounting for Income Taxes".

Total liabilities decreased by 6.1% in 2008 due primarily to payments we made on capital lease obligations and on liabilities we recorded in connection with our acquisition of NCI in June 2007.

At December 31, 2008, we had \$54,199 of invested equity, a decrease of \$15,128 from December 31, 2007 that primarily was due to our having a net increase in cash from operating and investing activities that Ocwen transferred to its own accounts.

*Contractual Obligations*

Our long-term contractual obligations generally include our operating lease payments on certain of our property and equipment. The table below summarizes the commitments of Altisource as of December 31, 2008:

<b>Nature of Commitment</b>	<b>Total</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>Thereafter</b>
Non-cancelable operating leases	\$ 5,594	\$ 3,338	\$ 1,080	\$ 572	\$ 262	\$ 269	\$ 73
Lines of credit and other secured borrowings	1,123	1,123	—	—	—	—	—
Capital lease obligations — principal	1,356	916	440	—	—	—	—
Contractual interest payments(1)	260	154	76	30	—	—	—

(1) Represents estimated future interest payments on borrowings, including capital leases, based on applicable interest rates as of December 2008.

We believe that we have adequate resources to meet all contractual obligations as they come due.

*Off-Balance Sheet Arrangements*

We do not have any material off-balance sheet arrangements other than operating leases.

**CRITICAL ACCOUNTING POLICIES AND ESTIMATES**

Our ability to measure and report our operating results and financial position is heavily influenced by the need to estimate the impact or outcome of risks in the marketplace or other future events. Our critical accounting policies are those that relate to the estimation and measurement of these risks. Because they inherently involve significant judgments and uncertainties, an understanding of these policies is fundamental to understanding Management's Discussion and Analysis of Results of Operations and Financial Condition. The following is a summary of our more subjective and complex accounting policies as they relate to our overall business strategy.

**Revenue Recognition**

We recognize revenues from the services we provide in accordance with Securities and Exchange Commission ("SEC") Staff Accounting Bulletin No. 104 ("SAB No. 104"), "Revenue Recognition" and related interpretations. SAB No. 104 sets forth guidance as to when revenue is realized or realizable and earned when all of the following

criteria are met: 1) persuasive evidence of an arrangement exists; 2) delivery has occurred or services have been performed; 3) the seller's price to the buyer is fixed or determinable; and 4) collectability is reasonably assured. Generally, the contract terms for these services are relatively short in duration and we recognize revenues as the services are performed either on a per unit or a fixed price basis. Specific policies for each of our reportable segments are as follows:

*Mortgage Services:* We recognize the majority of the services we provide in this segment on delivery of the product or service to our customer. Residential property valuation, certain property inspection and property preservation services, mortgage due diligence and certain closing and title services include specific deliverables for our customers for which we recognize revenues when we deliver the related valuation, property service, title search or due diligence report to the customer if collectability is reasonably assured. We also perform a number of services for which we recognize revenue at the time of closing of the related real estate transaction including real estate sales, real estate closings and certain title services. For default processing services and certain property preservation services, we recognize revenue over the period during which we perform the related services, with full recognition on completion of the related foreclosure filing or on closing of the related real estate transaction. For our knowledge process outsourcing services, we charge for these services based upon the number of employees utilized and providing such services.

*Financial Services:* We generally earn our fees for asset recovery management services as a percentage of the amount we collect on delinquent consumer receivables on behalf of our clients and recognize revenues upon collection from the debtors. We also provide customer relationship management services for which we earn and recognize revenues on a per minute basis as the related services are performed.

*Technology Products:* For our REAL suite, we charge based on the number of our client's loans processed on the system or on a per-transaction basis. We record transactional revenues when the service is provided and other revenues monthly based on the number of loans processed, employees serviced or products provided. Furthermore, we provide IT infrastructure services to Ocwen and charge for these services based on the number of employees that are using the applicable systems and the number and type of licensed products used by Ocwen. We also generate revenues from software related services as considered under AICPA Statement of Position No. 97-2, "Software Revenue Recognition" ("SOP 97-2"), and SOP 98-9, "Modification of SOP No. 97-2, Software Revenue Recognition, with Respect to Certain Transactions" ("SOP 98-9"). We record revenue associated with implementation services upon completion and maintenance ratably over the related service period.

#### ***Intangible Assets and Goodwill***

As a result of our acquisition of NCI in 2007 we acquired goodwill and identifiable intangible assets of \$54,815. Goodwill represents the cost of an acquired business in excess of the fair value of its net assets, including identifiable intangible assets, at the acquisition date. At December 31, 2008, the balance of goodwill was \$11,540, of which \$9,922 relates to the acquisition of NCI and is included in our Financial Services segment and \$1,618 relates to our acquisition of the company that developed the predecessor to REALTrans and is included in our Technology Products segment.

*Goodwill.* We test the goodwill in each of our operating segments which are components one level below our three business segments, for impairment at least annually or whenever events or circumstances indicate that the carrying value of goodwill may not be recoverable from future cash flows based on a two-step impairment test in accordance with SFAS No. 142, "Goodwill and Other Intangible Assets" ("SFAS No. 142"). We evaluate the recoverability by comparing the estimated fair value of each operating segment with its estimated net carrying value (including goodwill). We derive the fair value of each of our operating segments based on valuation techniques that we believe market participants would use for each segment (primarily a discounted cash flow valuation methodology). Our goodwill impairment test involves the making of estimates and the exercise of management judgment. From time to time, we may obtain assistance from third parties in our evaluation. The discounted cash flow valuation methodology uses projections of future cash flows and includes assumptions concerning future operating performance and economic conditions that may differ from actual future cash flows achieved.

In projecting our cash flows, we used projected growth rates of 0.1% to 5.0%. For the discount rate, we used 16.0%, which reflected our weighted average cost of capital determined partially based on our industry and size. Fair value is calculated as the sum of the projected discounted cash flows of the reporting units over the next five years and terminal value at the end of those five years.

During the fourth quarters of 2008, 2007, and 2006, we completed our annual goodwill impairment tests and determined that there was no goodwill impairment. We did record reductions of the goodwill in our Financial Services segment during 2008. We recorded purchase price adjustments of \$365 during 2008 that increased the amount of the goodwill we recorded. Also, prior to our acquisition of NCI in 2007, NCI made an acquisition that created tax-deductible goodwill that amortizes for tax purposes over time. When we acquired NCI in 2007, we recorded a lesser amount of goodwill for financial reporting purposes than what had previously been recorded at NCI for tax purposes. This difference between the amount of goodwill recorded for financial reporting purposes and the amount recorded for taxes is referred to as "Component 2" goodwill and it results in our recording periodic reductions of our book goodwill balance in our combined consolidated financial statements. The reduction of book goodwill also resulted in a reduction in invested equity in the amount of \$3,622 in 2008 and \$1,136 in 2007. We will continue to amortize the remaining Component 2 goodwill for tax purposes which will result in our first reducing book goodwill to zero and then reducing intangible assets by the remaining tax benefits of the Component 2 goodwill as they are realized in our tax returns.

*Identifiable Intangible Assets.* The balance of intangibles at December 31, 2008 was \$36,391. These intangibles relate to trademarks and customer lists we acquired in connection with our acquisition of NCI. We amortize our identifiable intangible assets over their estimated lives in accordance with SFAS No. 142. In accordance with SFAS No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets," identifiable intangible assets are tested for impairment whenever events or changes in circumstances suggest that the carrying value of an asset or asset group may not be fully recoverable.

These circumstances include, but are not limited to, a significant adverse change in legal factors or in the business climate or operating or cash flow losses and projections of continuing losses. An impairment loss, generally calculated as the difference between the estimated fair value and the carrying value of an asset or asset group, is triggered if the sum of the estimated undiscounted cash flows relating to the asset or asset group is less than the corresponding carrying value.

During 2008, we did not identify any indicators of impairment for our NCI customer relationship and trade name intangibles.

#### **Accounting for Income Taxes**

As part of the process of preparing the combined financial statements, we were required to determine income taxes in each of the jurisdictions in which we operate. This process involves estimating actual current tax expense together with assessing temporary differences resulting from differing recognition of items for income tax and accounting purposes. These differences result in deferred income tax assets and liabilities that are included within our combined consolidated balance sheets. We must then assess the likelihood that deferred income tax assets will be recovered from future taxable income and, to the extent we believe that recovery is not likely, establish a valuation allowance. To the extent we establish a valuation allowance or increase this allowance in a period, we must reflect this increase as an expense within income tax expense in the statement of earnings. Determination of the income tax expense requires estimates and can involve complex issues that may require an extended period to resolve. Further, changes in the geographic mix of revenues or in the estimated level of annual pre-tax income can cause the overall effective income tax rate to vary from period to period.

We conduct periodic evaluations of positive and negative evidence to determine whether it is more likely than not that the deferred tax asset can be realized in future periods. Among the factors considered in this evaluation are estimates of future taxable income, the future reversal of temporary differences, tax character and the impact of tax planning strategies that can be implemented, if warranted. As a result of this evaluation, we included in the tax provision an increase of \$1,322 to the valuation allowance for 2008 related to certain state net operating losses that are more likely than not to be realized in future periods.

*Litigation*

We continuously monitor the status of our legal matters. We obtain advice from external legal counsel in our periodic assessment of legal matters for potential loss accrual and disclosure. We make a determination of the amount of the reserves required in accordance with Statement of Financial Accounting Standards No. 5, "Accounting for Contingencies." We establish reserves for settlements, judgments on appeal and filed and/or threatened claims for which we believe it is probable that a loss has been incurred and the amount of the loss can be reasonably estimated.

We have filed suit against a former equipment vendor seeking revocation of acceptance of the equipment and damages for breaches of implied warranties and related torts. Separately, we are party to a pending arbitration brought by the vendor seeking payment of annual support and maintenance fees for periods subsequent to when we returned the equipment to the vendor. The vendor also is requesting payment of discounts it provided to us purportedly to be a marketing partner for the vendor. In total, the former vendor is seeking damages of approximately \$3,100. We believe that the vendor's claims against us are without merit and intend to defend vigorously against this matter.

## RECENT ACCOUNTING PRONOUNCEMENTS

We do not anticipate that any recent accounting pronouncements will have a significant impact on our financial statements upon adoption. For additional information regarding recently issued accounting pronouncements, see Note 3 to our combined consolidated financial statements.

## OTHER MATTERS

### *Related Party — Ocwen*

For the year ended December 31, 2008, approximately \$41,635 of the Mortgage Services, \$21,435 of the Technology Products and \$1,181 of the Financial Services segment revenues were from sales to Ocwen businesses not included in the Separation or sales derived from Ocwen's loan servicing portfolio. Services provided to Ocwen included residential property valuation, title services, REO asset management, property inspection and property preservation, core technology back office support and multiple business technologies including our REAL suite of products. We provided all services at rates we believe to be comparable to market rates.

Provided below is a brief description of the arrangements we expect to enter into with Ocwen. These arrangements may involve, or may appear to involve, conflicts of interest. See the detailed discussion in the "Risk Factors" and "Affiliate Relationships and Related Party Transactions" sections of this document.

#### *Transition Services Agreement*

See "Relationship Between Ocwen and Us Following the Separation — Transition Services Agreement."

#### *Tax Matters Agreement*

See "Relationship Between Ocwen and Us Following the Separation — Tax Matters Agreement."

#### *Employee Matters Agreement*

See "Relationship Between Ocwen and Us Following the Separation — Employee Matters Agreement."

#### *Intellectual Property Agreement*

See "Relationship Between Ocwen and Us Following the Separation — Intellectual Property Agreement."

#### *Data Center and Disaster Recovery Services Agreement*

See "Relationship Between Ocwen and Us Following the Separation — Data Center and Disaster Recovery Services Agreement."

#### *Services and Technology Product Services Agreements*

As part of the Separation, we and Ocwen expect to enter into separate, binding long-term service agreements that will require Ocwen to continue to purchase the following Mortgage Services and Technology Products from us after the Separation:

#### **Mortgage Services**

- valuation services
- residential due diligence
- residential fulfillment support services
- real estate management and sales
- property inspection and preservation services
- closing and title services
- homeowner outreach
- trustee foreclosure services

#### **Technology Products**

- residential loan servicing software
- vendor management and order fulfillment software
- default resolution services
- IT infrastructure support
- invoice presentment and payment software
- commercial loan servicing software

#### **Financial Services**

- mortgage charge-off and deficiency collections

For additional information see "Relationship between Ocwen and Us Following the Separation".

**QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK**

Market risk includes risks relating to derivative financial instruments, other financial instruments and derivative commodity instruments. These risks may be classified as liquidity risk, interest rate risk and foreign currency exchange rate risk.

Following the Separation, the risks related to our business will include certain market risks that may affect our debt and other financial instruments. In particular, we will face the market risks associated with interest rate movements on our outstanding debt. We expect to assess market risks regularly and to establish policies and business practices to protect against the adverse effects of these exposures.

We are exposed to foreign currency exchange rate risk in connection with our investment in non-U.S. dollar functional currency operations to the extent that our foreign exchange positions remain unhedged. Our operations in Luxembourg, Canada, Uruguay and India expose us to foreign currency exchange rate risk, but we consider this risk to be insignificant.

## BUSINESS

### Overview

Altisource provides real estate mortgage portfolio management and related technology products and asset recovery and customer relationship management services.

We conduct our operations through three reporting segments: Mortgage Services, Technology Products and Financial Services. We also have a Corporate department that currently consists of overhead costs and intersegment eliminations.

### Our Reportable Segments

#### *Mortgage Services*

Mortgage Services provides due diligence, valuation, real estate sales, default processing services, property inspection and preservation services, homeowner outreach, closing and title services and knowledge based outsourcing services to customers in the financial services industry.

The Mortgage Services segment generates the majority of its revenue by providing professional outsourced services across the lifecycle of a mortgage loan. Currently, we generate about 76% of our Mortgage Services revenues from Ocwen by fulfilling their need for various services associated with their mortgage loan servicing, non-performing loan and real estate owned portfolios. We also have longstanding relationships with some of the leading mortgage originators and servicers, insurance companies, hedge funds and commercial banks and provide a suite of products that enhances our customers' ability to make informed investment decisions. Mortgage Services consists of four business components:

*Real Estate Services.* This business provides fee-based transaction management services including residential property valuation, real estate sales, property inspection and preservation and mortgage due diligence. Historically, revenue was directly correlated to the level of origination activity and consisted only of valuation and due diligence services. However, during 2008, we expanded our services to assist in managing delinquent and defaulted loans and Real Estate Owned, which we refer to as REO. This expansion enabled us to serve both originators of new loans and servicers and investors with investments in defaulted loans and REO.

*Closing and Title Services.* Historically, we provided only uninsured title searches to assist our clients in their foreclosure process. We are adding several new products to this component including real estate closings, title searches and title agency services. We are currently in the process of obtaining licenses to expand our title service operations into a limited number of key states, and plan to start these operations in 2009.

*Default Processing Services.* Through this new line of business, we provide non-legal administrative or back-office services to attorneys to support foreclosure, bankruptcy and eviction functions. We manage certain non-legal steps in the foreclosure, bankruptcy or eviction process for our clients. Our services include new file preparation, notifications and advisories, marketing properties for foreclosure sale, document preparation, communications on behalf of the client and billing services. Additionally, we created a trustee, Western Progressive, LLC, that provides end-to-end foreclosure service directly to servicers for foreclosure files in select Western trustee states.

*Knowledge Process Outsourcing.* This business provides loan underwriting, quality control, insurance and claims processing, call center services and analytical support to customers.

Mortgage Services has limited capital requirements with services that span the life-cycle of the loan. By offering this range of services, we are able to produce relatively stable earnings in spite of the decline in residential loan origination activity. Our continued success in this area is dependent on our ability to launch new services that cater to the needs of our customers throughout the lifecycle of the loan, to manage our operating costs and to continue to improve the quality and timeliness of service delivery. We recently introduced many of these services, and we believe the growth in revenues and profits from these new products will offset any declines we experience as a result of the decline in residential loan origination activity. Further, we believe that these capabilities provide us



with a foundation from which we can solicit additional third-party business beyond Ocwen leading to revenue growth opportunities.

The mortgage services segment primarily generates revenue by providing services to its customers for a fee. Since fees typically are based on fixed rates per unit, we are focused on efficiencies in order to generate greater profitability. We incurred significant costs in 2008 to establish our new services including training our staff, performing vendor selections and obtaining licenses and registrations. While we expect to continue to incur costs associated with our growth in this area, we now are generating revenues and profits from several of these new products at a level that we believe will offset these incremental expenses.

#### **Financial Services**

This segment comprises our asset recovery and customer relationship management businesses. Effective June 6, 2007, this segment includes the results of NCI, a receivables management company. NCI specializes in contingency collections and customer relationship management for credit card issuers and other consumer credit providers. NCI's primary source of revenue is fees for collections on behalf of credit card issuers and other consumer credit providers on a contingency basis. The largest customer in this segment is American Express which accounted for approximately 25.8% of Altisource's total revenues or 56.0% of the Financial Services segment revenues in 2008. Our relationship with American Express is governed by an agreement, which generally sets out the guidelines on which we will provide services to American Express, although each separate assignment for American Express must be separately agreed to by American Express and is separate from the agreement. American Express is not contractually obligated to continue to use our services at historical levels or at all. The relationship is terminable by American Express by giving 30 days prior written notice to us.

We are one of the ten largest receivables management companies in the United States as reported in two independent third party industry polls conducted in 2007 and 2008. These two polls were the 2008 Industry Rankings for accounts receivable management companies as published in the August 2008 edition of Collections & Credit Risk Magazine and the Top Credit Card Collectors — 2007 as published in the August 2008 edition of The Nilson Report. We believe that the key to our success is our ability to perform well for our customers which, in turn, leads to more account placements. Our ability to perform well for our customers is largely dependent on our success in the training and retention of collection staff and providing them with cutting edge technology tools to decrease variability in processes. Variability is a lack of consistency in performance between collectors, and we are providing resources to our collectors that we believe will enable each of them the opportunity to perform similar to the level of our most efficient collectors.

We believe that our focus on variability reduction, or consistency, at the collection staff level allows for greater scalability and profitability in the rapidly changing economic environment. To that end, we are designing and implementing scripts that include resolution options based on behavioral sciences research and statistical modeling of consumer behavior. The result is an integration of high-probability resolution options, advanced scoring and segmentation models and greater effectiveness in resolution presentation. This integration, in turn, will reduce the time for new collectors to reach productive levels and increase the accuracy of inputs to staffing and training models which will allow for higher productivity at lower costs.

We generate the majority of our Financial Services segment's revenue through the collection on behalf of our customers of post-charge-off consumer debt for a contingent fee that is based on the percentage of the debt collected. We also provide accounts receivable management services to companies for their delinquent pre-charge off receivables (generally less than 180 days past due). We generally are compensated for these services on a per minute of talk time or per employee basis. In addition to these asset recovery management services, we offer customer relationship management and other services including customer care and early stage collections services. We generally are compensated for these services on a per-call, per-person or per-minute basis.

#### **Technology Products**

Technology Products is responsible for the planning, design, development, delivery and support of our technology products and services. We build all of our technology products to be scalable, secure, flexible, standards-based and using web-based technologies. Further, we bring solutions to market quickly because of the

investments that we made in our technology. Our products include the REAL suite of applications that supports the servicing business of Ocwen, the services provided by Mortgage Services and the servicing and origination businesses of external customers. These external customers include residential and commercial mortgage loan servicers.

Key products we offer through our Technology Products segment include:

*REALServicing*<sup>®</sup> — an enterprise residential mortgage loan servicing product that offers an efficient platform for loan servicing. The technology solution features automated workflows, scripting and robust reporting capabilities. The product spans the loan administration cycle from loan boarding to satisfaction including all collections, payment processing and reporting. The product is integrated into telephony systems to permit the REALServicing<sup>®</sup> platform to be used as the core loan servicing application by Ocwen.

*REALResolution* — a default loan administration product that provides decision support, timeline management and reporting capability for defaulted loans and REO. We typically deploy the REALResolution loan administration product for our customers in conjunction with a loan servicing system such as the REALServicing<sup>®</sup> platform.

*REALTrans*<sup>®</sup> — an electronic business-to-business exchange that automates and simplifies ordering, tracking and fulfilling mortgage information products and services. The technology solution connects multiple service providers through a single platform and forms an efficient method for managing a large scale network of vendors. We offer the REALTrans<sup>®</sup> vendor management platform as a web-based tool, or we can integrate it into the core systems of originators and servicers in a matter of weeks to fully automate order management. The product has more than 118 product types and over 40,000 national and local vendors representing one of the largest networks of service providers in the country.

*REALSynergy*<sup>®</sup> — an enterprise commercial real estate loan servicing platform. This technology solution manages the entire life cycle associated with commercial real estate loans and has over 50 customers.

*REALRemit*<sup>®</sup> — a patented electronic invoice presentment and payment system that provides our vendors with the ability to submit invoices electronically for payment and to have invoice payments deposited directly to their respective bank accounts.

*IT Infrastructure Services* — a full suite of services through which we perform remote management of IT functions for Ocwen. We offer a standardized IT enablement package for business users that comprises network management and security, desktop applications, telephony, mail and network storage backed by 24/7 Help Desk and extensive Tier 2 support. We also offer expertise in the design and delivery of productized services including call center services management for large volume inbound and outbound calling requirements.

The REAL suite of products generally generates revenue on a per-loan or per-transaction basis. The IT Infrastructure products primarily generate revenue on a per-application or a per-seat basis. The majority of our revenues are from our proprietary products so we generally do not incur significant incremental costs for each marginal seat or each loan or transaction we support.

Our products are scalable, and we believe that we can expand our customer base and serve many more customers with limited incremental costs. We plan to use our technology products as a competitive advantage in selling our mortgage services enabling us to generate growth in our mortgage services segment that is greater than the growth we could achieve by selling our technology products on a stand-alone basis.

#### **Relationship with Ocwen**

For the year ended December 31, 2008, approximately \$41,635 of the Mortgage Services, \$21,435 of the Technology Products and \$1,181 of the Financial Services segment revenues were from sales to Ocwen businesses not included in the Separation or sales derived from Ocwen's loan servicing portfolio. Services that we provided to Ocwen included residential property valuation, closing and title services, property inspection and preservation, core technology back office support and multiple business technologies including our REAL suite of products.

For a period of time following the Separation, Ocwen and Altisource will enter into long-term servicing contracts of up to eight year terms (subject to termination rights) pursuant to which Altisource will provide Ocwen with mortgage servicing and technology products services as described above. We also expect to enter into a transition services agreement under which Ocwen will provide to Altisource, and vice versa, certain short-term transition services such as human resources, vendor management, corporate services, six sigma, quality assurance, quantitative analytics, treasury, accounting, risk management, legal, strategic planning, compliance and other areas. We expect that all services provided pursuant to the long-term service contracts will be based on market rates prevailing at the time of execution or otherwise on arms-length terms and that the transition services agreement will be based on fully-allocated cost. These arrangements may involve, or may appear to involve, conflicts of interest. See the detailed discussion in the “Risk Factors”, “Relationship Between Ocwen and Us Following the Separation” and “Affiliate Relationships and Related Party Transactions” section of this document.

#### **Altisource Portfolio Solutions Competitive Strengths and Business Attributes**

Altisource’s strengths and business attributes are:

- *Strong domain expertise.* Altisource focuses on selling process outputs and solutions instead of seats. Process outputs and solutions are the number of units produced or the number of units managed on behalf of our client. Seats refers to charging a set rate per outsourced employee or per minute of talk time. For example, in our Mortgage Services business we generally charge for each valuation, property inspection, title search and real estate asset sold. In our Financial Services business, we generally charge a percentage of the amount we collect on delinquent consumer receivables on behalf of our clients. In our Technology Products business, we generally charge our clients based upon the number of the client’s loans processed on the Altisource licensed system, or based on the number of our client’s employees that are using the applicable systems. Unlike a business model that sells all of its services on a per person basis, this allows us to improve our margins as we become more efficient in providing our services.
- *Among the leading providers in each of its business segments.* Our client base includes blue-chip companies, leading capital markets firms, commercial banks, hedge funds, lending institutions and insurance companies with which we generally have long standing relationships. We are a top 10 accounts receivable management company, and our predecessor companies have served the largest customer in our Financial Services segment for more than 30 years. Our Mortgage Services and Technology Products segments have served Ocwen since their formation and continue to increase the volume and breadth of services they provide. We believe that the Separation will open up opportunities in the marketplace that were not available to us as part of Ocwen including providing services to other loan servicing and financial services companies. Our sales force is focused on growing these relationships.
- *Advanced technology.* Our technology products deliver stable, scalable and efficient functionality that leads to higher revenue and profitability per employee for our customers.
- *Strategy.* By utilizing psychological principles, scripting engines, decision models and workflow management, Altisource eliminates variability in delivery of services which offers us the opportunity to maintain sustained quality levels.
- *Earnings potential.* Our Mortgage Services and Technology Products segments generate a significant portion of their revenues from Ocwen’s loan servicing portfolio. We believe this provides visibility into our future business and allows us to efficiently manage our infrastructure.
- *Unlevered Balance Sheet.* We enjoy a nearly debt-free capital structure that provides the financial flexibility to pursue acquisitions and organic growth.
- *Management Team.* We have a strong, cohesive team with significant management and knowledge process outsourcer experience. Our disciplined recruiting practices include cognitive testing, personality screening and complex behavioral assessments at all levels of the company.

## Altisource Portfolio Solutions Strategy and Opportunities

Altisource's strategy and opportunities include:

- *New products.* Over the past two quarters, we launched new products in our Mortgage Services segment designed to capture a greater share of the default management business. These products include default processing services, property inspection and preservation services, homeowner outreach, real estate sales and title services.
- *Infrastructure advantage.* We are managing high value, knowledge based job functions. We successfully built and are managing global service centers in the U.S., India, Uruguay and Canada. Our recruiting and training practices as well as our information technology infrastructure enable us to manage intensive knowledge based processes with quality results at all of our global locations.
- *Technology.* We utilize and continue to develop processes and systems that require the least amount of human intervention. This results in improved quality through the elimination of variability and results in increased productivity, accuracy and performance for our customers. It also translates into higher margins and revenue for us.
- *High quality, stable and visible earnings.* Our Mortgage Services and Technology Products segments derive a significant portion of their revenues from Ocwen's loan servicing portfolio. This provides us with visibility into our future business and allows us to efficiently manage our infrastructure.
- *Unlevered Balance Sheet and "Asset Light" Business Model.* Our nearly debt-free capital structure, strong balance sheet and strong cash flow unencumbered by the need to make material capital expenditures provide us financial flexibility to allocate capital toward acquisitions and organic growth.
- *Cross-selling.* We recently combined our marketing and most of our sales functions to improve our product integration, which we believe can increase the value proposition we offer our customers as well as increase the revenues we earn from each relationship.

## Customers

We conduct portions of our operations in all 50 states and in four additional countries through our three reporting segments. Our active client base currently includes over 75 companies in the financial services, consumer products and services, telecommunications, utilities, government and real estate and mortgage servicing sectors. Our 10 largest customers in 2008 accounted for approximately 87% of our total revenue. Our largest customers include Ocwen and American Express, one of the largest credit and charge card issuers in the U.S. that accounted for 40% and 26%, respectively, of Altisource's total revenue. American Express has been a customer of NCI or its predecessors, which is part of the Financial Services segment, for over thirty years. Of the Ocwen-related revenues, \$41,635 relates to Mortgage Services, \$21,435 relates to Technology Products and \$1,181 relates to Financial Services. Ocwen-related revenues include those derived from Ocwen's loan servicing portfolio where the servicing pool trusts are the ultimate customers.

The percentage of revenues for the year ended December 31, 2008 by industry sector serviced by our segments is provided below:

### *Mortgage Services*

- 87% from real estate and mortgage servicing companies
- 13% from the insurance industry

### *Financial Services*

- 68% from financial services companies
- 11% from the consumer products and services companies
- 9% from telecommunications companies

- 6% from utilities
- 4% from U.S. government entities
- 2% from real estate and mortgage servicing companies

**Technology Products**

- 94% from real estate and mortgage servicing companies
- 6% from the insurance industry

**Sales and Marketing**

We are developing a team of experienced sales personnel with subject matter expertise in particular services or in the needs of particular types of customers. The existing sales individuals maintain relationships throughout the industry and play an important role in prospecting for new accounts. They work collaboratively, and we compensate them for sales they generate both within their areas of expertise and outside of those areas.

In late 2008, we combined our marketing and most of our sales operations under a single executive responsible for cross selling our services to all of our current major customers and potential customers. Previously, our sales functions were separated between segments, and our product offerings were distinct and limited. We now have a greater breadth of product offerings and more opportunities to increase the value we provide to our customers by enabling them to reduce the number of vendors they utilize and combining our services to address specific needs of our customers.

We target a significant portion of our potential customers in each of our business lines via direct and/or indirect field sales as well as inbound and outbound telemarketing efforts. As many of our customers use a single Altisource service, our direct sales force targets existing customers to promote cross-selling opportunities.

**Intellectual Property**

We rely on a combination of contractual restrictions, internal security practices, patents, trademarks, copyrights, trade secrets and other intellectual property to establish and protect our software, technology and expertise. We also own or, as necessary and appropriate, have obtained licenses from third parties to intellectual property relating to our products, processes and business. These intellectual property rights are important factors in the success of our businesses.

Despite these protections, unauthorized parties may attempt to infringe our intellectual property rights. Our management is not aware of any such material unauthorized use or of any pending claims where we do not have the right to use any intellectual property material to our business. We actively protect these rights and intend to continue our policy of taking all measures we deem reasonable and necessary to develop and protect our patents, copyrights, trade secrets, trademarks and other intellectual property rights.

Altisource currently holds one patent that expires in 2023 and has 18 pending patent applications with projected expiration dates from 2020 to 2030. In addition, Altisource has registered trademarks or recently filed applications for registration of trademarks in a number of countries or groups of countries, including 17 separate trademarks in the United States and up to twelve filings for the same marks in the European Community, India and in nine other countries or groups of countries. These trademarks generally can be renewed indefinitely.

**Competition**

The businesses in which we engage are highly competitive. From an overall perspective, we compete with the global business process outsourcing firms such as Genpact LTD, WNS (Holdings) Limited and Exlservice Holdings, Inc. In our Mortgage Services segment, we compete with in-house servicing operations of large mortgage lenders and servicers or third party service providers. Our Financial Services segment competes with other large receivables management companies as well as smaller companies and law firms focused on collections. In our Financial Services segment, we are one of the top ten accounts receivable management companies in the

U.S. out of approximately 1,800 agencies as ranked by two independent polls. Our Technology Products segment competes with internal technology departments and with third party data processing or software development companies. In our Mortgage Services and Technology Products segments, we compete primarily with a small number of national vendors and a large number of small regional or in-house providers. Given the diverse nature of product offerings that we and our competitors offer in these segments, we cannot determine our position in the market with accuracy, but we believe that we represent only a small portion of the overall market. Some of our competitors may offer more diversified services, operate in broader geographic markets or have greater financial resources than we do. Some of our larger customers retain multiple providers resulting in continuous evaluation of our performance against our competitors.

Competitive factors in our Mortgage Services business include the quality and timeliness of our services, the size and competence of our network of vendors and the breadth of the services we offer. For Financial Services, competitive factors include the ability to achieve a collection rate comparable to our competitors; the ability to adapt to an individual customer's requirements; the quality and personal nature of the service; and the consistency and professionalism of the service and the recruitment, training and retention of a highly skilled workforce. Competitive factors in our Technology Products business include the quality of the technology-based application or service; application features and functions; ease of delivery and integration; and our ability to maintain, enhance and support the applications or services and cost. We believe that our integrated technology and economies of scale in our three reportable segments provide us with a competitive advantage in each of these categories.

We have multiple competitors in each of our segments. Some of our key competitors by segment include:

- *Mortgage Services.* International Business Machines Corp., The First American Corporation and Lender Processing Services, Inc.
- *Financial Services.* NCO Group, Inc., GC Services, L.P., West Asset Management and United Recovery Services, Inc.
- *Technology Products.* Lender Processing Services, Inc. and Fiserv, Inc.

#### **Government Regulation**

Our business is subject to extensive regulation by federal, state and local governmental authorities including the Federal Trade Commission and the state agencies that license our mortgage services and collection entities. We also must comply with a number of federal, state and local consumer protection laws including, among others, the Gramm-Leach-Bliley Act, the Fair Debt Collection Practices Act, the Real Estate Settlement Procedures Act, the Truth in Lending Act, the Fair Credit Reporting Act and the Homeowners Protection Act. These statutes apply to debt collection, foreclosure and claims handling, and they mandate certain disclosures and notices to borrowers. These requirements can and do change as statutes and regulations are enacted, promulgated or amended.

We are subject to certain federal, state and local consumer protection provisions. We are also subject to licensing and regulation as a mortgage service provider and/or debt collector in a number of states. We are subject to audits and examinations that are conducted by the states. Our employees who sell title insurance products and real estate services may be required to be licensed by various state commissions for the particular type of product sold and to participate in regular continuing education programs. From time to time, we receive requests from state and other agencies for records, documents and information regarding our policies, procedures and practices regarding our mortgage services and debt collection business activities. We incur ongoing costs to comply with governmental regulations.

#### **Employees**

As of December 31, 2008, we had 2,534 employees divided between 651 in Mortgage Services, 1,254 in Financial Services, 479 in Technology Products and 150 in Corporate. None of our workforce currently is unionized. We have not experienced any work stoppages, and we consider our relations with employees to be good. We believe that our future success will depend, in part, on our ability to continue to attract, hire and retain skilled and experienced personnel.

**Properties and Facilities**

Our corporate headquarters is located in Luxembourg, Grand Duchy of Luxembourg, in a facility leased by us. The following table sets forth information relating to our primary facilities at December 31, 2008:

<u>Location</u>	<u>Owned/ Leased</u>	<u>Square Footage</u>
<b>Executive office and headquarters:</b>		
Luxembourg, Grand Duchy of Luxembourg	Leased(1)	2,000
<b>Financial Services customer support centers:</b>		
Vestal, New York	Leased	54,957
Phoenix, Arizona	Leased	21,626
Kennesaw, Georgia	Leased(2)	46,700
Goa, India	Leased	17,216
Miramar, Florida	Leased	9,292
Sacramento, California	Leased	7,864
Victoria, British Columbia	Leased	9,000
Montevideo, Uruguay	Leased(3)	8,125
<b>Business operations and IT infrastructure services offices:</b>		
Bangalore, India	Leased(3)	37,060
Bangalore, India	Leased	39,510
Mumbai, India	Leased(3)	26,000

- (1) We currently are negotiating this lease.
- (2) In December 2008, we notified the landlord that we were terminating this lease effective December 31, 2009. We do not expect to incur any significant penalties in connection with this lease termination.
- (3) Currently, we share a larger space within these offices with Ocwen. The square footage listed assumes that we enter into new leases for this square footage. We anticipate terminating the existing leases and entering into new leases with the landlords prior to the Separation.

In connection with the Separation, we intend to align our properties with Ocwen's in the most cost-effective manner. Where commercially and practically feasible, facilities that can be divided for joint occupancy by the two companies will be made available to both companies and we will lease additional space as needed. We believe our properties will be suitable and adequate and we believe we have sufficient capacity to meet our current needs.

**Seasonality**

The Financial Services receivables management business is subject to moderate seasonality with collections revenue typically higher in the first calendar quarter of each year because consumers typically use income tax refunds to make payments on debts. The collection levels generally are lower in the remainder of the year.

Seasonality also affects our Mortgage Services segment as loan originations and payoffs are typically at their lowest levels during the first and fourth quarters due to a reduced level of home buying activity during the winter months. Loan originations and payoffs generally increase during the warmer months beginning in March and continuing through October. As a result, we may experience higher earnings in the second and third quarters and lower earnings in the first and fourth quarters from the services we provide to our customers that purchase loans and sell real estate.

**Legal Proceedings**

We have filed suit against a former equipment vendor seeking revocation of acceptance of the equipment and damages for breaches of implied warranties and related torts. Separately, we are party to a pending arbitration brought by the vendor seeking payment of annual support and maintenance fees for periods subsequent to when we returned the equipment to the vendor. The vendor also is requesting payment of discounts it provided to us purportedly to be a marketing partner for the vendor. In total, the former vendor is seeking damages of approximately \$3,100. We believe that the vendor's claims against us are without merit and intend to defend vigorously against this matter while at the same time pursue our claims against this vendor.

Altisource is subject to various other pending legal proceedings. In our opinion, the resolution of those proceedings will not have a material effect on our financial condition, results of operations or cash flows.



## MANAGEMENT

### Executive Officers

*William B. Shepro*, age 40. Mr. Shepro has served as the President of Altisource Portfolio Solutions since July 2008, as Executive Vice President of Ocwen since May 2008 and will serve as Chief Executive Officer of Altisource Portfolio Solutions subsequent to the Separation. He has served as President of Global Servicing Solutions, LLC, a joint venture between Ocwen Financial Corporation and Merrill Lynch, since 2003. Mr. Shepro also held the positions of Senior Vice President of Ocwen Recovery Group and Senior Vice President, Director and Senior Manager of Commercial Servicing at Ocwen since joining the company in 1997. Mr. Shepro serves on the Boards of Altisource and BMS Holdings, Inc. and certain subsidiaries. He holds a Bachelor of Science in Business from Skidmore College and a Juris Doctorate from the Florida State University College of Law.

*Robert D. Stiles*, age 36. Mr. Stiles has served as Altisource Portfolio Solutions' Chief Financial Officer since March 2009 and will continue serving in this capacity subsequent to the Separation. Prior to joining Altisource Portfolio Solutions, Mr. Stiles served as Director, Controller for Centerline Capital Group since October 2007, as Vice President and Assistant Controller for Viacom Inc. from April 2006 to May 2007 and in various positions within Time Warner Inc.'s financial reporting and tax policy groups from August 2002 to April 2006. Mr. Stiles began his career with KPMG LLP. Mr. Stiles holds a Bachelor of Business Administration in Accounting with a concentration in Information Systems from James Madison University and a Masters of Business Administration from Columbia University. He is a Certified Public Accountant (Virginia).

*Kevin J. Wilcox*, age 44. Mr. Wilcox has served as Ocwen's Executive Vice President and Chief Administration Officer since April 2008 and will move into his role as Chief Administration Officer and General Counsel for Altisource Portfolio Solutions subsequent to the Separation. Mr. Wilcox previously served as the Senior Vice President of Human Resources and Corporate Services and as Corporate Secretary. He joined Ocwen in March 1998 as Senior Manager, Litigation in the Law Department where he was responsible for the resolution of all corporate litigation. He holds a Bachelor of Science in Business Administration from the University of Florida and a Juris Doctorate from the Florida State University College of Law.

*John T. McRae II*, age 39. Mr. McRae joined Nationwide Credit, Inc. as Chief Executive Officer in August 2008 and will continue in this capacity subsequent to the Separation. Prior to joining NCI, Mr. McRae served as Senior Vice President of Global Operations for Syniverse Technologies from December 2007 and as Senior Vice President of Operations for Emdeon Business Services and Chief Operating Officer of Emdeon Data Capturing Solutions division from January 2005, after serving in various roles within Emdeon since December 2003. He holds a Bachelor of Science in Administration from the University of Michigan and a Masters of Business Administration from Case Western University.

*Shekar Sivasubramanian*, age 45. Mr. Sivasubramanian has served as President of Mortgage Services and Technology Products of Altisource Portfolio Solutions since November 2008 and will continue in this capacity subsequent to the Separation. He served as Senior Vice President and Chief Information Officer of Ocwen from 2002 through November 2008. Prior to joining Ocwen in June 2002, he was Chief Operating Officer of Mascot Systems. He holds a Bachelor's degree in Technology from the Indian Institute of Technology and a Masters of Business Administration in Finance from the Bloch School of Business. Mr. Sivasubramanian is currently pursuing his Ph.D. in Knowledge Management and Information Retrieval from Carnegie Mellon University.

*S. P. Ravi*, age 41. Mr. Ravi has served as Ocwen's Vice President and Chief Risk Officer since June 2008 and will move into this capacity for Altisource subsequent to the Separation. From 2002 to 2008, Mr. Ravi served as Head of Trust Funds Accounting Operations at the World Bank, India. Mr. Ravi holds a Bachelors Degree from Delhi University and is a Chartered Accountant. He also is a Certified Public Accountant, Certified Internal Auditor and Certified Information Systems Auditor.

### Directors

*William C. Erbey*, age 59. Mr. Erbey will serve as the Chairman of the Board of Directors. He has served as the Chairman of the Board of Directors of Ocwen since September 1996 and as the Chief Executive Officer of Ocwen

since January 1988. He served as the President of Ocwen from January 1988 to May 1998. From 1983 to 1995, Mr. Erbey served as a Managing General Partner of The Oxford Financial Group, a private investment partnership that was the predecessor of Ocwen. From 1975 to 1983, Mr. Erbey served at General Electric Capital Corporation in various capacities most recently as the President and Chief Operating Officer of General Electric Mortgage Insurance Corporation. He holds a Bachelor of Arts in Economics from Allegheny College and a Masters of Business Administration from Harvard University.

*William B. Shepro* will serve as a director as well as an executive officer. His business experience is listed on the previous page in "Executive Officers."

We currently are evaluating several candidates to serve as independent directors on our Board.

## COMPENSATION DISCUSSION AND ANALYSIS

### Introduction

Altisource Portfolio Solutions did not exist as a separate publicly traded company prior to the Separation. Therefore, the compensation for the executive officers reflected herein was not determined by our Compensation Committee. Accordingly, the Compensation Discussion and Analysis describes the compensation philosophy applied by Ocwen to these executive officers with respect to the fiscal year ended December 31, 2008 and the ways in which we anticipate that our compensation philosophy will be similar or different after we become a separate public company. As we anticipate that our programs initially will be similar to those applicable to executives of Ocwen, we do not expect that there will be many differences immediately following the Separation. The Boards of Directors of both Ocwen and Altisource will review the effect of the Separation on all elements of compensation during fiscal years 2009 and 2010 and make appropriate adjustments. In connection with the Separation, our Board of Directors will form its own Compensation Committee. Following the Separation, this new Compensation Committee will determine our executive compensation strategy.

This section provides information regarding the following:

- compensation programs for Altisource's Chief Executive Officer, Chief Financial Officer and three other most highly compensated executive officers;
- overall objectives of the Ocwen compensation program and what it is designed to reward;
- each element of compensation that Ocwen provides; and
- the reasons for the compensation decisions made regarding these individuals while employed by Ocwen.

The executive officers for Altisource after the Separation will be as follows:

<u>Name</u>	<u>Position</u>
William B. Shepro	Chief Executive Officer
Robert D. Stiles	Chief Financial Officer
Kevin J. Wilcox	Chief Administration Officer and General Counsel
John T. McRae II	Chief Executive Officer of Nationwide Credit, Inc.
Shekar Sivasubramanian	President of Mortgage Services and Technology Products

### Compensation Philosophy and Objectives

Ocwen believes that the most effective executive compensation program is one that aligns executives' interests with those of the shareholders by rewarding performance that achieves or exceeds specific annual, long-term and strategic goals, with the ultimate objective of improving shareholder value. Ocwen seeks to promote individual service longevity and to provide its executives with long-term wealth accumulation opportunities to the extent of consistent, high-level financial performance are achieved. The Compensation Committee of Ocwen evaluates both performance and compensation annually to ensure that it maintains the ability to attract and retain superior employees in key positions and that compensation provided to key employees remains competitive relative to the

compensation paid to similarly situated executives of its peer companies. To achieve these objectives, Ocwen believes that executive compensation packages should include both cash and equity-based compensation that rewards performance as measured against established goals. Following the Separation, Altisource expects to have a similar philosophy.

#### **Governance**

The Compensation Committee of Ocwen's Board of Directors has historically overseen executive compensation and benefit plans and practices, while establishing management compensation policies and procedures to be reflected in the compensation program offered to its executive officers. The Ocwen Compensation Committee also evaluates and makes recommendations to the Board of Directors of Ocwen for human resource and compensation matters relating to our executive officers.

The Compensation Committee of Ocwen is comprised of three directors, who are elected annually. Each member of Ocwen's Compensation Committee is independent as defined in the listing standards of the New York Stock Exchange. While Ocwen has no specific qualification requirements for members of the Compensation Committee, its Compensation Committee members have knowledge and experience regarding compensation matters as developed through their respective business experience in both management and advisory roles, including general business management, executive compensation and employee benefits experience. We expect that Altisource will implement similar guidelines for its compensation committee consistent with The NASDAQ Stock Market LLC listing standards in order to provide the company with an independent committee with extensive diversity in experience, culture and viewpoints.

The Compensation Committee of Ocwen has the authority to retain independent counsel or other advisers as it deems necessary in connection with its responsibilities at Ocwen's expense. The Ocwen Compensation Committee may request that any of Ocwen's Directors, officers or employees, or other persons attend its meetings to provide advice, counsel or pertinent information as the committee requests. We anticipate that Altisource will adhere to similar governance practices.

#### **Role of Executive Officers in Compensation Decisions**

Certain executives of Ocwen are involved in the design and implementation of Ocwen's executive compensation programs, including the Chief Executive Officer and Executive Vice President and Chief Administration Officer, who are typically present at Ocwen's Compensation Committee meetings. These executives annually review the performance of each executive officer (other than the Chief Executive Officer whose performance is reviewed by the Compensation Committee) and present their conclusions and recommendations regarding incentive award amounts to the Compensation Committee for its consideration and approval. The Committee can exercise its discretion in accepting, rejecting and/or modifying any such executive compensation recommendations; however, executive compensation matters generally are delegated to the Chief Executive Officer and Executive Vice President and Chief Administration Officer for development and execution. We expect that executives of Altisource will maintain a similar level of involvement in compensation decisions.

#### **Elements of Compensation**

The current compensation package for our executive officers as employees of Ocwen consists of base salary and annual incentive compensation. This compensation structure was developed by Ocwen in order to provide each executive officer with a competitive salary, while emphasizing an incentive compensation element that is tied to the achievement of strategic corporate goals and initiatives as well as individual performance. Ocwen believes that the following elements of compensation are appropriate in light of Ocwen's performance, industry, current challenges and environment. We will most likely incorporate these elements into our executive compensation program following the Separation.

*Base Salary.* Base salaries for our executive officers were established by Ocwen based on individual qualifications and job responsibilities, while taking into account compensation levels at similarly situated companies for similar positions determined through benchmarking as described below under the heading "Setting Compensation Levels." Ocwen reviews base salaries of the executive officers annually during the performance

review process with adjustments made based on market information, internal review of the executive officer's compensation in relation to other officers, individual performance of the executive officer and corporate performance. We expect similar reviews to be conducted by Altisource. Salary levels will also be considered upon a promotion or other change in job responsibility. We anticipate that salary adjustment recommendations will be based on our overall performance and an analysis of compensation levels necessary to maintain and attract quality executives.

*Annual Incentive Compensation.* Ocwen's primary incentive compensation plan for executives is the 1998 Annual Incentive Plan, as amended (the "AIP"). Equity based awards are granted pursuant to Ocwen's 2007 Equity Incentive Plan. Pursuant to the AIP, a participant can earn cash, restricted stock and stock option awards as determined by Ocwen's Compensation Committee. For the 2008 fiscal year, all awards were made in cash. The plan provides Ocwen's Compensation Committee and management with the authority to establish incentive award guidelines which are further discussed below. We intend to adopt a similar plan to set forth incentive compensation parameters for executives.

Each executive officer at Ocwen has a targeted annual incentive award that is expressed as a percentage of total target compensation for each executive officer. Total target compensation is determined by reference to historical total compensation paid to each executive officer and through benchmarking as described below under the heading "Setting Compensation Levels." At the executive level at Ocwen in 2008, 40-65% of total target compensation was payable only upon achievement of certain minimum company and individual performance levels. The appropriate percentage varies depending on the nature and scope of each executive officer's responsibilities. The table below reflects the percentage of each named executive officer's total target compensation that was allocated to base salary and incentive compensation in 2008 and each executive officer's actual total compensation that was allocated to base salary and incentive compensation in 2008:

Name(1)	Base Salary % of Target Total Compensation in 2008	Incentive Compensation % of Target Total Compensation in 2008	Base Salary % of Actual Total Compensation in 2008	Incentive Compensation % of Actual Total Compensation in 2008
William B. Shepro	40%	60%	36%	64%
Kevin J. Wilcox	50%	50%	44%	56%
John T. McRae II(2)	60%	40%	63%	37%
Shekar Sivasubramanian	70%	30%	61%	39%

- (1) Robert D. Stiles joined us on March 2, 2009, so he did not receive compensation in 2008.
- (2) John T. McRae II joined the company in August 2008, so the information presented is for a partial year.

Ocwen's annual incentive-based compensation cash award is structured to motivate executives to achieve pre-established key performance indicators by rewarding the executives for such achievement. This is accomplished by utilizing a balanced scorecard methodology which incorporates multiple financial and non-financial performance indicators developed through our annual strategic planning process to enhance corporate performance and long-term shareholder value. This corporate scorecard is approved annually by the Ocwen Compensation Committee and/or the full Board of Directors and is utilized by the Compensation Committee as a factor to determine the appropriate amount of incentive compensation to be paid to the Chief Executive Officer of Ocwen. During development of the corporate scorecard each year, the Compensation Committee considers the level of difficulty associated with attainment of each goal in the scorecard. The intent of the Compensation Committee is to establish the target goal at a level that would require extraordinary effort to achieve. We expect to implement similar practices at Altisource.

Ocwen's corporate scorecard for 2008 and corresponding achievement levels are detailed below:

2008 Corporate Scorecard Elements				
Element	Achievement Levels			Level Achieved
	Threshold	Target	Outstanding	
Achieving an adjusted pre-tax income target	\$62,510	\$78,100	\$93,700	\$89,400(1)
Achieving a Return on Equity target	5.2%	6.2%	7.2%	6.9%(1)
Achieving corporate strategic initiatives	4 of 8	5 of 8	6 of 8	See Strategic Initiatives below
Strategic Initiatives				
Position Ocwen Solutions for a Separation	Complete diligence necessary to determine whether to engage an investment bank	Threshold plus provide all documentation to PwC to support audits of Ocwen Solutions for 2006 and 2007	Target plus complete all Ocwen Solutions Spin project work by March 1, 2009	Determined not to engage investment bankers, documentation provided to PwC to complete 2006 & 2007 audits, and all Ocwen Solutions Spin project related work completed in time
Customer satisfaction: Improve sigma calculation of customer survey (defect = survey score of 3 or less)	4.55 sigma	4.60 sigma	4.65 sigma	4.70 sigma
Raise liquidity/funding	Not less than \$0 excess	Net advance after applicable haircut plus \$70 million	Target plus \$80 million	Net advance after haircut plus \$208.8 million
Excluding 2008 acquisitions, reduce gross Loan Servicing Advances by 5% or \$77.063 million from \$1.541 billion	2.5% reduction	5.0% reduction	7.5% reduction	\$1.2506 billion — 18.8% reduction
Complete and Implement Enhanced Loan Resolution Model	N/A	N/A	To be completed by December 31, 2008	Completed by December 31, 2008
Expand assets under management to \$518 MM — Report via dashboard	85% of Budget \$440 million	100% of Budget \$518 million	115% of Budget \$595 million	\$215 million
Generate cash from the sale or financing of BOK, GSS Canada, NCI, Residuals, Loans and REO held for resale, FHLMC/FNMA, Debt service accounts, Gross accounts, Receivables, PNC settlement and Orlando land	At discretion of the Chairman	At discretion of the Chairman	At discretion of the Chairman	\$82 million
Develop and generate revenue of \$8 MM from one or more new business lines — title, insurance, FHA, default management, or any other business line requested by Senior Management	\$6,400	\$8,000	\$9,600	\$1,400

(1) This figure represents the level of achievement after the adjustment to the corporate profitability key performance indicator calculation for unbudgeted non-cash mark-downs.

The incentive awards of Ocwen's officers are structured so that the compensation opportunities are related to (i) the performance levels on the corporate key performance indicators and initiatives, (ii) the performance within the business or support unit, as expressed on each executive officer's scorecard, and (iii) the performance appraisal of the executive officer. For the 2008 service year, the applicable percentage weight assigned to each component of each executive officer's annual incentive compensation is detailed below:

<u>Name(1)</u>	<u>Corporate EBITDA</u>	<u>Corporate Return on Equity</u>	<u>Personal Scorecard</u>	<u>Performance Appraisal</u>	<u>Strategic Initiatives</u>
William B. Shepro	10%	10%	50%	20%	10%
Kevin J. Wilcox	10%	10%	50%	20%	10%
John T. McRae II	10%	10%	50%	20%	10%
Shekar Sivasubramanian	10%	10%	50%	20%	10%

(1) Robert D. Stiles joined us on March 2, 2009, so he did not receive compensation in 2008.

All executive officers at Ocwen have 30% of their incentive compensation determined by objective performance related to the corporate profitability key performance indicators and strategic initiatives established as part of the corporate scorecard during our strategic planning process. The responsibility for achieving key performance indicators and initiatives in Ocwen's corporate scorecard is cascaded to its executive officers in their personal scorecards, which are the primary component of incentive compensation for and comprise 50% of the executive officer's incentive compensation. The final component of each executive's incentive compensation is their performance appraisal score which comprises 20% of the executive's incentive compensation. This incentive compensation structure is intended to align the goals of our executives with the overall success of the company, while establishing clear performance standards within their respective business or support units.

Each key performance indicator in an executive's personal or business unit scorecard is weighted based on relevance to the ultimate financial performance of Ocwen and Ocwen's achievement of its strategic initiatives. As each goal in an executive's scorecard is weighted, our methodology distributes the potential to earn incentive compensation sufficiently to discourage an executive from pursuing excessive risks to attain their goals. Each component of the scorecard, has three established levels of achievement: Threshold, Target, and Outstanding. Each level of achievement is tied to a relative point on a percentage scale. Achieving the Threshold level of achievement will earn the executive officer 50% of the target incentive compensation tied to such goal; the Target level of achievement will earn the executive officer 100% of the target incentive compensation tied to such goal; and the Outstanding level of achievement will earn the executive officer 150% of the target incentive compensation tied to such goal. Any achievement below the Threshold level will not entitle the executive to compensation for the associated goal.

The personal scorecards for our named executive officers (except Robert D. Stiles) and their corresponding levels of achievement are as follows:

Name	%	2008 Scorecard Elements	Achievement Levels			Level Achieved
			Threshold	Target	Outstanding	
William B. Shepro	15%	Achieve Ocwen Solutions adjusted pre-tax income target (excluding BMS)	\$24,720	\$30,900	\$37,080	Target
	15%	Generate cash from the sale or financing of BOK, GSS Canada, NCI, residuals, loans and REO held for resale, FHLMC/FNMA, debt service accounts, gross accounts, receivables, PNC settlement, and Orlando land	At the discretion of the Chairman	At the discretion of the Chairman	At the discretion of the Chairman	Outstanding
	15%	Grow Ocwen Solutions revenue (excluding BMS and IT internal revenue)	\$139,760	\$174,700	\$209,640	Threshold
	15%	Work through Charlesbank to extend JPMC investment line from March 31 maturity date (or convert all or part of the investment line to a referral fee) for an acceptable term and interest rate as a% of LIBOR (or referral fee)	Term: 6 months; Rate LIBOR-30	Term: 12 months; Rate LIBOR-15	Term: 18 months; Rate LIBOR	Outstanding
	10%	Develop or generate revenue of \$8,000 from one or more new business lines, including title, insurance, FHA, default management or any other business line requested by senior management	\$6,400	\$8,000	\$9,600	Below Threshold
	15%	Position Ocwen Solutions for a Separation	Complete diligence necessary to determine whether to engage an investment bank	Threshold plus provide all documentation to PwC to support audits of Ocwen Solutions for 2006 and 2007	Target plus complete all Ocwen Solutions Spin project work by March 1, 2009	Outstanding

Name	%	2008 Scorecard Elements	Achievement Levels			Level Achieved
			Threshold	Target	Outstanding	
	15%	Fully implement at NCI the aspect dialer, call recording and integrated scripting engine and a "CRE" – like solution at NCI	At the discretion of the Chairman	At the discretion of the Chairman	At the discretion of the Chairman	Outstanding
Kevin J. Wilcox	7.14%	Generate cash from the sale or financing of BOK, GSS Canada, NCI, Residuals, Loans and REO held for resale, FHLMC/FNMA, Debt service accounts, Gross accounts, Receivables, PNC settlement and Orlando land.	At the discretion of the Chairman	At the discretion of the Chairman	At the discretion of the Chairman	Outstanding
	7.14%	Customer satisfaction — Improve sigma calculation of customer survey (defect = survey with score of 3 or below)	4.55 sigma	4.60 sigma	4.65 sigma	Outstanding
	7.14%	Enhance the modification process metric	7 of 10 enhancements	8 of 10 enhancements	9 of 10 enhancements	Outstanding
	7.14%	Position Ocwen Solutions for a Separation	Complete diligence necessary to determine whether to engage an investment bank	Threshold plus provide all documentation to PwC to support audits of Ocwen Solutions for 2006 and 2007	Target plus complete all Ocwen Solutions Spin project work by March 1, 2009	Outstanding
	7.14%	Establish vendor management office in new location	Four months from the conclusion of the corporate transaction	Three months from the conclusion of the corporate transaction	Two months from the conclusion of the corporate transaction	Outstanding
	7.14%	Implement Loss Mitigation Strategies in Early Intervention Metric	N/A	At the discretion of the President and CEO	At the discretion of the President and CEO	Target



Name	%	2008 Scorecard Elements	Achievement Levels			Level Achieved
			Threshold	Target	Outstanding	
	7.14%	Reduce the average number of days to sell an REO by 5% improvement over 2007 average	3.0% reduction	5.0% reduction	7.0% reduction	Target
	7.14%	Reduce the weighted average gross delinquency days to foreclosure sale by 5% over 2007 (weighted by number of 2008 foreclosures by state)	2.5% reduction	5.0% reduction	7.5% reduction	Threshold
	7.14%	Complete and Implement CRE scripting for LRC and Performing Collections	9/30/08	7/31/08	5/31/08	Outstanding
	7.14%	Improve analytical ability by: — Hiring key personnel to improve modeling capabilities — Restructure the current Mortgage Analytics Organization to create an integrated Analytics Infrastructure that can significantly enhance the data analysis and modeling capabilities of the firm	Hire 40% of personnel identified and restructure Analytics organization by 8/31/2008	Hire 60% of personnel identified and restructure Analytics organization by 7/31/2008	Hire 80% of personnel identified and restructure Analytics organization by 6/30/2008	Outstanding
	7.14%	Hire psychology expertise on staff to improve scripting - Develop / enhance collection and loan resolution scripts	At discretion of the Chairman	At discretion of the Chairman	At discretion of the Chairman	Outstanding
	7.14%	Reduce 90 day attrition (NCI)	40.1 — 45%	35.1 — 40%	Less than =35%	Outstanding
	7.14%	Reduce voluntary attrition (NCI US)	Reduction by at least 10%	Reduction by at least 15%	Reduction by at least 20%	Outstanding
	7.14%	Improve retention of global workforce	30.1 — 35%	25.1 — 30%	Less than =25%	Target
John T. McRae II	50%	Approval and implementation of the plan to improve NCI's financial performance, including the reduction of U.S. FTE's and compensation expense	At the Discretion of the Chairman	At the Discretion of the Chairman	At the Discretion of the Chairman	Outstanding
	50%	Approval of the First Party business action plan	At the Discretion of the Chairman	At the Discretion of the Chairman	At the Discretion of the Chairman	Target

Name	%	2008 Scorecard Elements	Achievement Levels			Level Achieved
			Threshold	Target	Outstanding	
Shekar Sivasubramanian	21.55%	Achieve Tech Products EBITA Target	80% of Budget	100% of Budget	120% of Budget	Outstanding
	16.42%	Grow Technology Services revenue	80% of Budget	100% of Budget	120% of Budget	Threshold
	11.29%	Maintain SLA for REAL Servicing at 99.50% for 1H08 and 99.80% for 2H08	99.00% for 1H08 and 99.60% for 2H08	99.50% for 1H08 and 99.80% for 2H08	99.90% for 1H08 and 99.95% for 2H08	Target / Outstanding
	11.29%	SLA Delivery at 99.5%	Between 99.0% and 99.5%	Over 99.5% and under 99.9%	Over 99.9%	Outstanding
	16.42%	Fully implement at NCI the Aspect dialer, call recording, an integrated scripting engine (which eliminates the need to manage 3 screens) and a 'CRE' like solution at NCI in line with business requirements	At the Discretion of the Chairman	At the Discretion of the Chairman	At the Discretion of the Chairman	Outstanding
	10.27%	By the end of 2008, redevelopment of REAL Servicing should have progressed enough so that by the end of Q2 2009, the Java and Oracle based REAL Servicing will be complete and released for production	At the Discretion of the Chairman	At the Discretion of the Chairman	At the Discretion of the Chairman	Target
	2.50%	Manage BMS's development and technology infrastructure from India	At the Discretion of the Chairman	At the Discretion of the Chairman	At the Discretion of the Chairman	Outstanding
	5.13%	Develop software solutions to support Mortgage Services' new products — title insurance, FHA, default management or any other business line requested by Executive Senior Management	Delivery by target plus 30 days	Delivery by target date	Delivery by target minus 30 days	Below Threshold
5.13%	Improve retention of Global Workforce	25% - 30%	20% - 25%	£20%	Target	

Scorecards are communicated to all incentive-eligible employees by the Human Resource Department of Ocwen and are available to employees at all times in our performance management tracking system. Performance against such scorecards is reviewed with senior management on a quarterly basis and after the end of each year. Annual incentive compensation is paid to our executives and other incentive-eligible employees after Compensation Committee approval following the service year associated with the incentive.

As discussed above, Ocwen executives have 20% of their annual incentive compensation determined by their performance appraisal for the service year. In this regard, each of Ocwen's executive officers performs a self-assessment as to his performance against goals for the applicable year. The Chief Executive Officer of Ocwen utilizes these assessments, as well as his own observations and consultations with the Executive Vice President and Chief Administration Officer, to prepare a written performance appraisal for each of the other executive officers at Ocwen. In 2008, these performance appraisals were revised to rate performance on objective criteria related to only two key factors: (i) the executive's ability to improve and develop their organization throughout the year, and (ii) the executive's strategic contributions to the direction of the company.

The Executive Vice President and Chief Administration Officer of Ocwen, in conjunction with the Chief Executive Officer, presents the performance appraisal scores and personal scorecard performance to the Compensation Committee and makes recommendations as to the incentive compensation for each executive officer. The Compensation Committee of Ocwen evaluates the recommendations and makes the final incentive compensation award determinations for the senior executives. We anticipate that a comparable program will be instituted at Altisource.

Generally at the first Board of Directors meeting of Ocwen's fiscal year, the Compensation Committee approves the corporate scorecard and annual incentive components for the Chief Executive Officer and other executive officers for the upcoming year. In anticipation of the Separation, key performance indicators for Altisource were developed. The corporate scorecard for Altisource includes achieving a pre-tax net income target, a revenue target and separation of the operations from Ocwen. In addition, the corporate scorecard provides for successful completion of nine strategic initiatives established to enhance long-term corporate and shareholder value. The 2009 corporate strategic initiatives for Altisource relate to:

- Reduction in variability of service-levels;
- Improving supervisory effectiveness;
- Consolidation and automation of our processes;
- Personnel development within the organization;
- Improvements to the customer service experience;
- Meeting all service level standards;
- Development of brand awareness through marketing;
- Implementation of strategic technology projects; and
- Development of a strategic plan for new products and a channel sales strategy.

#### **Setting Compensation Levels**

In determining appropriate compensation levels and structure, Ocwen conducted benchmarking on executive compensation among peer companies of comparable size, industry, location and similar attributes to Ocwen. The Peer Companies used for benchmarking were Choicepoint, Inc., Clayton Holdings Inc., EPIQ Systems Inc., EXL Service Holdings, Inc., Fisery, Inc., iGate Corporation and NCO Group, Inc. The information gathered from this comparison group included base salary, cash incentive compensation and equity incentive compensation. We anticipate that the Compensation Committee of Altisource will follow a similar practice in setting the appropriate compensation structure and levels for the Chief Executive Officer and other executive officers.

#### **Tax Considerations**

The timing of compensation decisions is driven by a variety of tax considerations. Under Section 162(m) of the Internal Revenue Code of 1986, as amended (the "Code"), the tax deduction by corporate taxpayers is limited with respect to the compensation of certain executive officers up to \$1,000,000 per covered executive (actual dollars, not thousands) unless such compensation is based upon the attainment of performance objectives meeting certain regulatory criteria or is otherwise excluded from the limitation. For Altisource's subsidiaries with employees in the

United States, we plan to obtain shareholder approval of any incentive plan as necessary in order to qualify awards under such plans as performance-based compensation under Section 162(m) of the Code for exclusion from the deductibility limitation of 162(m) except in situations where qualifying compensation for the exclusion would be inconsistent with our overall best interest.

In order to satisfy the deductibility requirements under Section 162(m) of the Code, performance objectives must be established in the first 90 days of the performance period. For annual incentive awards, this means performance objectives must be established no later than the end of March. In addition, in order to avoid being considered deferred compensation under Section 409A of the Code and to be deductible for the prior tax year, we expect that our annual incentive awards with respect to the prior year will be paid out by March 15 of each year for employees of Altisource who are U.S. taxpayers.

#### **Restrictive Covenants**

Some of our executive officers will have employment agreements (described below) which will contain intellectual property, non-disclosure and non-solicit provisions. We expect that all other executive officers will execute an intellectual property and non-disclosure agreement upon commencement of their employment. These agreements will require the executive officer to hold all "confidential information" in trust for us and prohibit the executive officer from using or disclosing such confidential information except as necessary in the regular course of our business or that of our affiliates. Other than these restrictive covenants, we do not expect to have employment, non-competition or non-solicitation agreements with our executive officers. From time to time, we may enter into separation agreements with executive officers that contain these provisions.

#### **Stock Ownership Policies**

We have not developed stock ownership or retention policies, guidelines or requirements as of yet. Our Compensation Committee may consider adopting such a policy in the future for all or a select portion of our executive officers. We will maintain a management directive detailing our window period policy for directors and employees and an insider trading policy.

#### **Equity Incentive Plan**

The 2007 Equity Incentive Plan administered by Ocwen's Compensation Committee authorizes the grant of restricted stock, options, stock appreciation rights, stock purchase rights, or other equity-based awards to Ocwen employees. Options granted under the plan may be either "incentive stock options" as defined in Section 422 of the Code, or nonqualified stock options, as determined by Ocwen's Compensation Committee. On January 20, 2009, the Compensation Committee of Ocwen's Board of Directors approved exceptions to the Plan that allow executives moving to Altisource from Ocwen after the Separation to retain the same rights with regard to vesting and termination of their equity awards issued pursuant to the Plan as if they remained Ocwen employees for as long as they remain employed by Altisource.

Each award granted under Ocwen's 2007 Equity Incentive plan is evidenced by a written award agreement between the participant and Ocwen, which describes the award and states the terms and conditions to which the award is subject. If any shares subject to award are forfeited or if any award terminates, expires or lapses without being exercised, shares of common stock subject to such award will again be available for future grant. Altisource intends to adopt a similar plan for its executives, and we expect that previous awards by Ocwen will be adjusted appropriately in light of the Separation.

#### **Other Compensation**

The Compensation Committee's policy with respect to other employee benefit plans is to provide benefits to our employees, including executive officers, that are comparable to benefits offered by companies of a similar size to ours. A competitive comprehensive benefit program is essential to achieving the goal of attracting and retaining highly qualified employees.

### **Employment Termination**

Without any special agreement related to termination, an executive officer at Ocwen would be entitled to receive his or her base salary and applicable employee benefit plans and programs through the date of termination. We plan to adopt a similar practice at Altisource. In addition, the executive officer would be entitled to retain any vested portion of equity awards granted prior to 2008 through Ocwen's 1998 Annual Incentive Plan, 1991 Non-Qualified Stock Option Plan, and 2007 Equity Incentive Plan on the same terms as if the termination was from Ocwen. For termination not due to death, disability or retirement, the executive officer has six months in which to exercise stock options pursuant to our stock option agreements. Otherwise, the executive officer shall be afforded the time permitted in the original grant from Ocwen as approved by Ocwen's Board of Directors. Any portion of an equity award not vested will be forfeited in either circumstance unless alternate arrangements are made. For 2008 time based option awards, if an executive's employment is terminated by death, disability or by the executive for good reason the options will vest immediately and the executive will have five years to exercise the options (three years for the executive's estate in the case of death). With regard to 2008 performance based option awards, if an executive's employment is terminated for death, disability, or by the executive for good reason, the executive would have five years from the date of termination to exercise the options (three years for the executive's estate in the case of death) and would retain all vesting rights in the options. These options would only vest if the performance based criteria for such vesting is met. For all 2008 option awards, if an executive's employment is terminated for cause or by the executive for other than good reason, the options will terminate promptly upon notice and opportunity to speak to the Compensation Committee.

### **Severance Benefits**

Unless part of an employment agreement, we do not intend to have a formal severance plan or policy. When an executive officer separates from Ocwen as a result of a reduction in work force, Ocwen typically provides the executive with two months salary for each year of service to the company up to a maximum of six months salary in exchange for a separation agreement. We plan to adopt similar practices.

### **2009 Equity Incentive Plan**

Immediately prior to the Separation, we intend to adopt the 2009 Equity Incentive Plan (the "2009 Plan"). The purposes of the 2009 Plan are to attract, to retain and to motivate employees of outstanding ability, and to align their interests with those of our shareholders. The aggregate number of shares of our common stock that may be issued under the 2009 Plan is currently contemplated to be 6,666,667 shares, subject to proportionate adjustment in the event of stock splits and similar events.

#### **Administration**

The 2009 Plan will be administered by the Compensation Committee of the Board of Directors consisting of at least three Directors. Each member of the committee must be an "outside director" as defined in Section 162(m) of the Internal Revenue Code of 1986, as amended (the "Code"), a "non-employee director" as defined in Rule 16b-3 under the Securities Exchange Act of 1934, as amended (the "Exchange Act") and an "independent" director under the rules of The NASDAQ Stock Market LLC. The Committee will have full authority, in its discretion, to interpret the 2009 Plan and to determine the persons who will receive awards and the number of shares to be covered by each award. It is expected that all employees will be eligible for participation under the 2009 Plan.

#### **Stock Options**

The 2009 Plan will provide for the grant of stock options. A stock option becomes exercisable at such time or times and/or upon the occurrence of such event or events as the Compensation Committee may determine. No stock option may be exercised after the expiration of ten years from the date of grant.

The option price for each stock option will be payable to us in full in cash at the time of exercise. No stock option granted under the 2009 Plan is transferable other than by will or by the laws of descent and distribution, and a stock option may be exercised during an optionee's lifetime only by the optionee. Subject to the foregoing and the other provisions of the 2009 Plan, stock options granted under the 2009 Plan to participants may be exercised at such

times and in such amounts and be subject to such restrictions and other terms and conditions, if any, as shall be determined, in its discretion, by the Compensation Committee.

#### Restricted Stock

Restricted shares of our common stock awarded by the Compensation Committee will be subject to such restrictions (which may include restrictions on the right to transfer or encumber the shares while subject to restriction) as the Compensation Committee may impose and will be subject to forfeiture in whole or in part if certain events (which may, in the discretion of the Committee, include termination of employment and/or performance-based events) specified by the Committee occur prior to the lapse of the restrictions. The restricted stock agreement between us and the awardee will set forth the number of shares of restricted stock awarded to the awardee, the restrictions imposed thereon, the duration of such restrictions, the events the occurrence of which would cause a forfeiture of the restricted stock in whole or in part and such other terms and conditions as the Compensation Committee in its discretion deems appropriate.

#### Other Equity-based Awards

The Compensation Committee shall be authorized, subject to limitations under applicable law, to grant to eligible employees, in lieu of salary or cash bonus, such other awards that are denominated or payable in, valued in whole or in part by reference to, or otherwise based on, or related to, shares of common stock, as deemed by the Committee to be consistent with the purposes of the 2009 Plan, including, without limitation, purchase rights, appreciation rights, shares of common stock awarded without restrictions or conditions, convertible securities, exchangeable securities or other rights convertible or exchangeable into shares of common stock, as the Compensation Committee in its discretion may determine.

The Compensation Committee shall determine the terms and conditions of other stock-based awards. Any shares of common stock or securities delivered pursuant to a purchase right granted under the 2009 Plan shall be purchased for such consideration, paid for by such methods and in such forms, including, without limitation, cash, shares of common stock, or other property or any combination thereof, as the Compensation Committee shall determine. However, the value of such consideration shall not be less than the fair market value of such shares of common stock or other securities on the date of grant of the purchase right. Appreciation rights may not be granted at a price less than the fair market value of the underlying shares on the date of grant.

#### Miscellaneous

Except to the extent otherwise determined by the Compensation Committee, no award and no rights or interests therein shall be assignable or transferable by a participant otherwise than by will or the laws of descent and distribution, and any stock option or other right to purchase or to acquire shares of common stock granted to a participant under the 2009 Plan shall be exercisable during the participant's lifetime only by such participant.

The Board of Directors may amend, suspend or terminate the 2009 Plan at any time without shareholder approval except to the extent that shareholder approval is required by law or stock exchange rules or if the amendment, alteration or other change materially increases the benefits accruing to participants, increases the number of shares available under the 2009 Plan or modifies the requirements for participation under the 2009 Plan or if the Board of Directors determines that shareholder approval is advisable. Without the consent of the participant, no amendment, suspension or termination of the 2009 Plan or any award may materially and adversely affect the rights of such participant under any previously granted award.

#### Employment Agreements

In connection with the Separation, we intend to enter into employment agreements with William B. Shepro, our Chief Executive Officer, Robert D. Stiles, our Chief Financial Officer and Kevin J. Wilcox, our Chief Administration Officer and General Counsel. The employment terms begin following the effectiveness of the Separation and continue indefinitely until the executive's separation. The contracts provide for base salary and an annual incentive bonus based on the satisfaction of relevant performance criteria. In addition, the executives may receive benefits such as health care and contributory pensions.

In order to terminate the contract, each party must provide notice in accordance with the time periods set forth in article L.124-1 of the Luxembourg Labour Code. In the event of the executive's termination by the Company for "cause" (as such term is defined in the employment agreement), no notice is required. In addition, in the event that the executive's employment is terminated by the Company without "cause" (as such term is defined in the employment agreement) or the executive resigns for "good reason" (as such term is defined in the employment agreement), the executive will receive severance benefits. Furthermore, the executive may be entitled to receive redundancy payments in accordance with article L.124-7 of the Luxembourg Labour Code upon certain terminations.

The contracts also provide for a covenant to maintain our confidential information and to enter into an intellectual property agreement. In addition, the executive is bound by a non-solicitation covenant for a period of one year following the termination of the contract. The agreements are governed in accordance with the laws of the Grand Duchy of Luxembourg.

## EXECUTIVE COMPENSATION

### Treatment of Outstanding Equity Awards for Altisource Employees

In connection with the Separation, outstanding equity awards will be adjusted in accordance with their terms. Ocwen's Compensation Committee, the administrator of Ocwen's equity-based plans, has provided that our executives and employees will be treated as not terminated for purposes of continuing vesting and exercisability on outstanding Ocwen equity based awards. Upon an executive's or employee's termination from Altisource, the contractual post-termination exercise restrictions will apply.

### Historical Compensation of Our Named Executive Officers

The following table contains compensation information for our Chief Executive Officer, Chief Financial Officer and three other persons who are our executive officers. We refer to the five officers herein as the "named executive officers." All of the information included in this table reflects compensation earned by the individuals for services with Ocwen and its subsidiaries. All references in the following tables to stock and stock options relate to awards of stock and stock options granted by Ocwen. These amounts do not necessarily reflect the compensation these persons will receive following the Separation, which could be higher or lower, because historical compensation was determined by Ocwen, and future compensation levels will be determined based on the compensation policies, programs and procedures to be established by our Compensation Committee. In addition, portions of the historical compensation of Mr. Shepro and Mr. Wilcox were allocated to Ocwen businesses other than Altisource, so the full amount of the compensation listed below was not included in the Altisource financial statements included herein. However, we received an allocation of other Ocwen executive officers and employees that we will not continue to incur after the Separation.

Name and Principal Position	Year	Salary(1)	Stock Awards(2)(3)	Option Awards(2)(3)	Non-Equity Incentive Plan Compensation(4)	All Other Compensation(5)	Total
<b>William B. Shepro</b> Chief Executive Officer	2008	\$300,488	\$32,281	\$162,993	\$525,971	\$ 4,500	\$1,026,233
<b>Robert D. Stiles(6)</b> Chief Financial Officer	2008	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<b>Kevin J. Wilcox</b> Chief Administration Officer and General Counsel	2008	\$273,974	\$24,392	\$100,234	\$345,326	\$ 4,500	\$ 748,426
<b>John T. McRae II(7)</b> Chief Executive Officer, NCI	2008	\$ 86,538	\$ 0	\$ 0	\$ 51,093	\$ 0	\$ 137,631
<b>Shekar Sivasubramanian(8)</b> President, Technology Products and Mortgage Services	2008	\$111,396	\$ 0	\$ 17,255	\$ 71,406	\$98,378	\$ 298,435

- (1) Represents amounts paid in corresponding year.
- (2) Consists of compensation cost recognized in the financial statements with respect to the fair value of awards granted for previous fiscal years in accordance with Statement of Financial Accounting Standards No. 123(R) ("FAS 123(R)"). We recognize compensation expense relating to a stock or stock option award over the vesting period except that expense recognition does not begin until the date of grant. Because one-third of a stock award and one-fifth of a stock option award vest immediately upon grant, we recognize the related cost as expense at that time. In addition, for those who are eligible for retirement, we recognize the full fair value of the stock option award as expense on the date of grant.
- (3) We based the grant date fair value of stock awards recognized as expense in 2008 on the closing price of our common stock. We estimated the grant date fair value of stock option awards recognized as expense in 2008 using the Black-Scholes option-pricing model utilizing the following assumptions:

**Service Condition Awards — Using Black-Scholes Option Pricing Model**

<u>Performance Year</u>	<u>Expected Volatility (%)</u>	<u>Expected Dividend Yield (%)</u>	<u>Exercise Price (\$)</u>	<u>Risk-Free Interest Rate (%)</u>	<u>Expected Term in Years</u>
2002	62	0	1.87	2.73	5
2003	48	0	6.18	3.25	5
2004	43	0	6.57	3.61	5
2005	36	0	6.10	4.35	5
2006	33	0	11.88	4.78	5
2008	38	0	8.00	3.48	5

**Market Condition Awards — Using Binomial Pricing Model**

<u>Performance Year</u>	<u>Expected Volatility (%)</u>	<u>Expected Dividend Yield (%)</u>	<u>Exercise Price (\$)</u>	<u>Risk-Free Interest Rate (%)</u>	<u>Contract Term in Years</u>
2008	38 - 46	0	8.00	2.15% - 4.28%	10

There can be no assurance that the value realized upon exercise will equal the grant date fair value determined using the Black-Scholes option-pricing model. No value will be realized if the options are never exercised.

- (4) Consists of the cash portion of incentive compensation bonus awarded pursuant to our 1998 Annual Incentive Plan in the first quarter of the year following the year in which services are rendered. The actual dollar amounts earned within each component by each executive officer is detailed below:

<u>Name</u>	<u>Corporate EBITDA</u>	<u>Corporate Return on Equity</u>	<u>Personal Scorecard</u>	<u>Performance Appraisal</u>	<u>Strategic Initiatives</u>	<u>Total Non-Equity Incentive Plan Compensation</u>
William B. Shepro	\$ 45,148	\$ 45,148	\$ 255,084	\$ 112,869	\$ 67,722	\$ 525,971
Kevin J. Wilcox	\$ 25,580	\$ 25,580	\$ 191,847	\$ 63,949	\$ 38,370	\$ 345,326
John T. McRae II	\$ —	\$ —	\$ 38,707	\$ 12,386	\$ —	\$ 51,093
Shekar Sivasubramanian	\$ 6,491	\$ 6,491	\$ 35,704	\$ 12,983	\$ 9,737	\$ 71,406

- (5) Consists of contributions by Ocwen pursuant to Ocwen's 401(k) Savings Plan for each executive officer, contributions for life insurance premiums, and relocation expenses as detailed below.
- (6) Mr. Stiles joined Altisource Portfolio Solutions effective March 2, 2009, so no compensation information is available.
- (7) Mr. McRae joined Altisource Portfolio Solutions effective August 18, 2008, so only partial compensation information is available.



(8) All of Mr. Sivasubramanian's compensation was converted from Indian Rupees to United States Dollars using conversion rates in effect on March 3, 2009.

We currently have no employment agreements with our named executive officers. For more information about the elements of the compensation paid to our named executive officers and the anticipated terms of prospective employment agreements with certain of our named executive officers, see Compensation Discussion and Analysis above.

**Grants of Plan Based Awards for 2008**

The following table provides information related to non-equity incentive compensation pursuant to our 1998 Annual Incentive Plan for services rendered in fiscal year 2008 by the individuals named in the Summary Compensation Table.

Name	Grant Date	Estimated Future Payouts Under Non-Equity Incentive Plan Awards(1)			Estimated Future Payouts Under Equity Incentive Plan Awards(2)	Exercise or Base Price of Option Awards(2)	Grant Date Fair Value of Stock and Option Awards(2)
		Threshold	Target	Maximum			
William B. Shepro	—	\$ 225,739	\$ 451,477	\$ 677,216	—	—	—
Robert D. Stiles	—	\$ 0	\$ 0	\$ 0	—	—	—
Kevin J. Wilcox	—	\$ 127,899	\$ 255,797	\$ 383,696	—	—	—
John T. McRae II	—	\$ 30,966	\$ 61,931	\$ 92,897	—	—	—
Shekar Sivasubramanian	—	\$ 32,457	\$ 64,914	\$ 97,371	—	—	—

(1) These figures represent the potential non-equity compensation that may have been earned by each respective executive officer in 2008 under the different achievement levels presented on their personal scorecards which are more fully discussed in our "Compensation Discussion and Analysis." Under our current compensation structure, all non-equity incentive compensation is paid to the executive officer in the first quarter of the year following the year in which service was rendered. The actual amount of non-equity incentive compensation that was paid to our named executive officers in 2008 is set forth in the "Non-Equity Incentive Plan Compensation" column of the Summary Compensation Table above.

(2) No equity compensation was paid to the individuals named in the Summary Compensation Table for services rendered in fiscal year 2008.

**Outstanding Equity Awards at Fiscal Year-End**

The following table provides information regarding outstanding equity awards at December 31, 2008 for the individuals named in the Summary Compensation Table.

Name	Option Awards				Stock Awards				
	Number of Securities Underlying Unexercised Options Exercisable(1)	Number of Securities Underlying Unexercised Options Unexercisable(1)	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Unearned Options(1)	Option Exercise Price	Option Expiration Date	Number of Shares or Units of Stock that have not Vested	Market Value of Shares or Units of Stock that have not Vested	Equity Incentive Plan Awards: Number of Unearned Shares that have not Vested	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares that have not Vested
William B. Shepro	2,632	—	—	\$ 6.25000	01/31/10	1,942(6)	\$17,828	1,942	\$17,828
	24,309	—	—	\$ 4.08625	01/31/11	3,341(7)	\$30,670	3,341	\$30,670
	9,827	—	—	\$ 7.40000	01/31/11	—	—	—	—
	40,000	—	—	\$12.55000	10/31/11	—	—	—	—
	14,596	—	—	\$ 5.78900	01/31/12	—	—	—	—
	19,730	—	—	\$ 7.00000	01/31/12	—	—	—	—
	2,035	—	—	\$ 1.87000	01/31/13	—	—	—	—
	21,053	—	—	\$ 2.81000	01/31/13	—	—	—	—
	5,977	—	—	\$ 6.18000	01/31/14	—	—	—	—
	23,906	—	—	\$10.73000	01/31/14	—	—	—	—
	28,922	7,230(1)	7,230	\$ 8.04000	01/31/15	—	—	—	—
	23,812	15,875(2)	15,875	\$ 9.64000	01/31/16	—	—	—	—
	17,025	11,351(3)	11,351	\$11.88000	05/10/17	—	—	—	—
	—	206,250(4)	206,250	\$ 8.00000	07/14/18	—	—	—	—
	—	412,500(5)	412,500	\$ 8.00000	07/14/18	—	—	—	—
—	206,250(5)	206,250	\$ 8.00000	07/14/18	—	—	—	—	
Robert D. Stiles	—	—	—	\$ —	—	—	\$ —	—	\$ —
Kevin J. Wilcox	2,362	—	—	\$ 7.40000	01/31/11	1,669(6)	\$15,321	1,669	\$15,321
	40,000	—	—	\$12.55000	10/31/11	1,475(8)	\$13,541	1,475	\$13,541
	9,649	—	—	\$ 5.78900	01/31/12	—	—	—	—
	6,432	—	—	\$ 7.00000	01/31/12	—	—	—	—
	5,297	—	—	\$ 1.87000	01/31/13	—	—	—	—
	7,945	—	—	\$ 2.81000	01/31/13	—	—	—	—
	2,246	—	—	\$ 6.18000	01/31/14	—	—	—	—
	8,986	—	—	\$10.73000	01/31/14	—	—	—	—
	11,514	2,878(1)	2,878	\$ 8.04000	01/31/15	—	—	—	—
	10,706	7,137(2)	7,137	\$ 9.64000	01/31/16	—	—	—	—
	14,632	9,755(3)	9,755	\$11.88000	05/10/17	—	—	—	—
	—	155,000(4)	155,000	\$ 8.00000	07/14/18	—	—	—	—
	—	310,000(5)	310,000	\$ 8.00000	07/14/18	—	—	—	—
	—	155,000(5)	155,000	\$ 8.00000	07/14/18	—	—	—	—
	John T. McRae II	—	—	—	\$ —	—	—	\$ —	—
Shekar Sivasubramanian	10,000	0	0	\$ 4.92000	06/01/14	—	\$ —	—	\$ —
	—	77,500(4)	77,500	\$ 8.00000	07/14/18	—	—	—	—
	—	155,000(5)	155,000	\$ 8.00000	07/14/18	—	—	—	—
—	77,500(5)	77,500	\$ 8.00000	07/14/18	—	—	—	—	

- (1) All Options vest on 1/31/09.
- (2) Options vest in two equal installments on 1/31/09 and 1/31/10.
- (3) Options vest in two equal installments on 12/31/09 and 12/31/10.
- (4) Options vest in four equal installments on 7/14/09, 7/14/10, 7/14/11 and 7/14/12.

- (5) Options have a market condition for vesting which once achieved begin to vest over four equal, annual installments.
- (6) All shares vest on 1/31/09.
- (7) 1,936 and 1,405 shares vest on 1/1/09 and 1/1/10, respectively.
- (8) 844 and 631 shares vest on 1/1/09 and 1/1/10, respectively.

**Option Exercises and Stock Vested**

The following table provides information relating to the amounts realized on the exercise of options and the vesting of restricted stock during fiscal year 2008 for the individuals named in the Summary Compensation Table.

Name	Option Awards		Stock Awards	
	Number of Shares Acquired on Exercise	Value Realized on Exercise	Number of Shares Acquired on Vesting	Value Realized on Vesting
William B. Shepro	—	\$ —	21,497	\$ 122,843
Robert D. Stiles	—	\$ —	—	—
Kevin J. Wilcox	—	\$ —	9,388	54,200
John T. McRae II	—	\$ —	—	—
Shekar Sivasubramanian	—	\$ —	—	—

Ocwen does not provide pension benefits, nonqualified deferred compensation or potential payments upon termination or change in control to its executive officers.

**COMPENSATION COMMITTEE’S INTERLOCKS AND INSIDER PARTICIPATION**

**Compensation Committee of the Ocwen Board of Directors**

Ronald J. Korn	William H. Lacy
Barry N. Wish	

The Compensation Committee members whose names appear above were the Ocwen Compensation Committee members during all of 2008. Under applicable SEC rules, there were no interlocks or insider participation on the Ocwen Compensation Committee.

**BOARD OF DIRECTORS AND CORPORATE GOVERNANCE**

**Board of Directors**

As provided in our articles of incorporation, we initially intend to have a Board of Directors that will consist of a minimum of three and a maximum of seven directors. William C. Erbey will serve as non-executive Chairman of the Board of Directors of Altisource and will continue to serve in his role as Chairman of the Board of Directors and CEO of Ocwen. Other than Mr. Erbey, no Directors of Ocwen will become Directors of Altisource. In addition to Mr. Erbey, Directors of Altisource will include William B. Shepro, [ ], [ ] and [ ]. We expect to determine the complete composition of our Board of Directors before the Ocwen Board of Directors effects the Separation.

We expect our Board of Directors to adopt *Corporate Governance Guidelines* that, along with the charters of our Board committees and our Code of Conduct for employees and Directors, will provide the framework for the governance of our company.

**Meetings of the Board of Directors**

We anticipate that the Board of Directors will play an active role in overseeing management and representing the interests of the shareholders. We expect Directors to attend all Board meetings, the meetings of committees on

which they serve and the Annual Meeting of Shareholders. We also expect to consult Directors for advice and counsel between formal meetings.

#### **Independence of Directors**

We plan for our Corporate Governance Guidelines to provide that our Board of Directors must be comprised of a majority of Directors who qualify as independent Directors under the listing standards and timing of The NASDAQ Stock Market LLC and applicable law.

We anticipate that our Board of Directors annually will review the direct and indirect relationships that we have with each Director. Only those Directors who are determined by our Board of Directors to have no material relationship with Altisource will be considered independent Directors. This determination will be based in part on analysis of categorical questionnaire responses that follow the independence standards established by The NASDAQ Stock Market LLC and will be subject to additional qualifications prescribed under its listing standards and applicable law.

#### **Committees of the Board of Directors**

Our board of directors will include an Executive Committee, an Audit Committee, a Compensation Committee and a Nomination/Governance Committee. We provide a brief description of our expectations for these Committees below.

*Executive Committee.* Our Executive Committee generally will be responsible to act on behalf of our Board of Directors during the intervals between meetings of our Board of Directors. The Board of Directors is authorized to approve and/or to designate in writing certain individuals to approve actions that are required to be documented by counter parties but do not require action by the Board of Directors. Such actions would include approving, signing and executing checks and electronic funds transmissions and performing such other ministerial actions on such terms, conditions and limits as the Board of Directors deems appropriate in its discretion.

*Audit Committee.* The Audit Committee of our Board of Directors will oversee the relationship with our independent registered certified public accounting firm, review and advise our Board of Directors with respect to reports by our independent registered certified public accounting firm and monitor our compliance with laws and regulations applicable to our operations including the evaluation of significant matters relating to the financial reporting process and our system of internal accounting controls and the review of the scope and results of the annual audit conducted by the independent registered certified public accounting firm. Each member of our Audit Committee will be independent as defined in regulations adopted by the Securities and Exchange Commission and the listing standards of The NASDAQ Stock Market LLC. Our Board of Directors also will appoint only financially literate members to our Audit Committee, will require that a majority of its members possess accounting or related financial management expertise within the meaning of the listing standards of The NASDAQ Stock Market LLC and will ensure that each qualifies as an audit committee financial expert as that term is defined in Securities and Exchange Commission rules implementing requirements of the Sarbanes-Oxley Act of 2002. Our Audit Committee will operate under a written charter to be approved by our Board of Directors, a copy of which will be available on our website at [www.altisource.com](http://www.altisource.com) and will be available in print to any shareholder who requests it.

*Compensation Committee.* The Compensation Committee of our Board of Directors will oversee our compensation and employee benefit plans and practices. Our Compensation Committee also will evaluate and make recommendations to our Board of Directors for human resource and compensation matters relating to our executive officers. The Compensation Committee will review with the Chief Executive Officer and subsequently approve all executive compensation plans, any severance or termination arrangement and any equity compensation plans that are not subject to shareholder approval. The Compensation Committee also will have the power to review our other compensation plans including the goals and objectives thereof and to recommend changes to these plans to our Board of Directors. Each member of our Compensation Committee will be independent as defined in the listing standards of The NASDAQ Stock Market LLC. Our Compensation Committee will operate under a written charter approved by our Board of Directors, a copy of which will be available on our website at [www.altisource.com](http://www.altisource.com) and will be available in print to any shareholder who requests it.

The Compensation Committee will have the authority, at our expense, to retain independent counsel or other advisers as it deems necessary in connection with its responsibilities. We expect that the Chief Executive Officer will be involved in the design and implementation of our executive compensation programs and that the Chief Executive Officer typically will be present at Compensation Committee meetings. We expect that this executive annually will review the performance of each executive officer (other than the Chief Executive Officer, whose performance and compensation are reviewed and determined by the Compensation Committee, as required by the listing standards of The NASDAQ Stock Market LLC) and present his conclusions and recommendations regarding incentive award amounts to the Compensation Committee for its consideration and approval. The Committee can exercise its discretion in accepting, rejecting and/or modifying any such executive compensation recommendations; however, we generally expect that executive compensation matters will be delegated to the Chief Executive Officer for development and execution.

*Nomination/Governance Committee.* The Nomination/Governance Committee of our Board of Directors will make recommendations to our Board of Directors of individuals qualified to serve as Directors and committee members for our Board of Directors; advise our Board of Directors with respect to Board of Directors' composition, procedures and committees; develop and present our Board of Directors with a set of corporate governance principles; and oversee the evaluation of our Board of Directors and our management. Each member of our Nomination/Governance Committee will be independent as defined in the listing standards of The NASDAQ Stock Market LLC. Our Nomination/Governance Committee will operate under a written charter approved by our Board of Directors, a copy of which will be available on our website at [www.altisource.com](http://www.altisource.com) and will be available in print to any shareholder who requests it.

It will be the policy of our Nomination/Governance Committee to consider candidates for Director recommended by our shareholders. In evaluating all nominees for Director, our Nomination/Governance Committee will take into account the applicable requirements for Directors under the Securities Exchange Act of 1934, as amended, and the listing standards of The NASDAQ Stock Market LLC. In addition, our Nomination/Governance Committee will take into account our best interests as well as such factors as knowledge, experience, skills, expertise, diversity and the interplay of the candidate's experience with the background of other members of our Board of Directors. The Nomination/Governance Committee regularly will assess the appropriate size of the Board of Directors and whether any vacancies on the Board of Directors are anticipated. Various potential candidates for Director then will be identified. We anticipate that candidates may come to the attention of the Nomination/Governance Committee through current members of our Board of Directors, professional search firms, shareholders or industry sources. In evaluating the candidate, the Nomination/Governance Committee will consider factors other than the candidate's qualifications including the current composition of the Board of Directors, the balance of management and independent Directors, the need for Audit Committee expertise and the evaluations of other prospective nominees. In connection with this evaluation, the Nomination/Governance Committee will determine whether to interview the prospective nominee, and if warranted, one or more members of the Nomination/Governance Committee, and others as appropriate, will interview prospective nominees. After completing this evaluation and interview, the Nomination/Governance Committee will make a recommendation to the full Board of Directors as to the persons who should be nominated by the Board of Directors. The Board of Directors will determine the nominees after considering the recommendation and report of the Nomination/Governance Committee. Should a shareholder recommend a candidate for Director, our Nomination/Governance Committee would evaluate such candidate in the same manner that it evaluates any other nominee.

If a shareholder wants to recommend persons for consideration by our Nomination/Governance Committee as nominees for election to our Board of Directors, the shareholder can do so by writing to our Secretary at Altisource Portfolio Solutions S.A., 2-8 Avenue Charles deGaulle, L-1653 Luxembourg, Grand Duchy of Luxembourg, R.C.S. Luxembourg: B 72 391, Luxembourg. The shareholder should provide each proposed nominee's name, biographical data and qualifications. Such recommendation also should include a written statement from the proposed nominee consenting to be named as a nominee and, if nominated and elected, to serve as a Director.

#### **Corporate Governance Guidelines**

The Corporate Governance Guidelines to be adopted by our Board of Directors will provide guidelines for us and our Board of Directors to ensure effective corporate governance. The Corporate Governance Guidelines will

cover topics such as: Director qualification standards, Board of Directors and committee composition, Director responsibilities, Director access to management and independent advisors, Director compensation, Director orientation and continuing education, management succession, review, approval or ratification of transactions with related persons and annual performance evaluation of the Board of Directors.

Our Nomination/Governance Committee will review our Corporate Governance Guidelines at least once a year and, if necessary, recommend changes to the Guidelines to our Board of Directors. Our Corporate Governance Guidelines will be available on our website at [www.altisource.com](http://www.altisource.com) and will be available in print to any shareholder who requests them by writing to our Secretary at Altisource Portfolio Solutions S.A., 2-8 Avenue Charles deGaulle, L-1653 Luxembourg, Grand Duchy of Luxembourg, R.C.S. Luxembourg: B 72 391, Luxembourg.

#### **Executive Sessions of Non-Management Directors**

We anticipate that non-management Directors will meet in executive sessions without management approximately four times per year. The non-executive Chairman will preside at each executive session.

#### **Communications with Directors**

If a shareholder desires to contact our Board of Directors or any individual Director regarding Altisource, the shareholder may do so by mail addressed to our Secretary at Altisource Portfolio Solutions S.A., 2-8 Avenue Charles de Gaulle, L-1653 Luxembourg, Grand Duchy of Luxembourg, R.C.S. Luxembourg: B 72 391, Luxembourg. Communications received in writing will be distributed to our Board of Directors or to individual Directors, as appropriate, depending on the facts and circumstances outlined in the communication received.

#### **Code of Ethics**

We will adopt a Code of Business Conduct and Ethics that applies to our Directors, officers and employees as required by The NASDAQ Stock Market LLC rules. Any waivers from the Code of Business Conduct and Ethics for Directors or executive officers will need to be approved by our Board of Directors or a Board committee and will need to be promptly disclosed to our shareholders. We also will adopt a Code of Ethics for Senior Financial Officers that will apply to our Chief Executive Officer and our Chief Financial Officer. The Code of Business Conduct and Ethics and the Code of Ethics for Senior Financial Officers will be available on our website at [www.altisource.com](http://www.altisource.com) and will be available in print to any shareholder who requests a copy by writing to our Secretary at 2-8 Avenue Charles deGaulle, L-1653 Luxembourg, Grand Duchy of Luxembourg, R.C.S. Luxembourg: B 72 391, Luxembourg. Any amendments to the Code of Business Conduct and Ethics or the Code of Ethics for Senior Financial Officers, as well as any waivers that are required to be disclosed under the rules of the Securities and Exchange Commission or The NASDAQ Stock Market LLC, will be posted on our website.

### **BOARD OF DIRECTORS COMPENSATION**

#### **Compensation**

We will provide compensation to our non-management Directors as customary in Luxembourg and as determined by our shareholders after the Separation.

#### **Other Compensation Issues**

We anticipate that any Director compensation may be prorated for a Director serving less than a full one-year term as in the case of a Director joining the Board of Directors after an annual meeting of shareholders. Directors will be reimbursed for reasonable travel and other expenses incurred in connection with attending meetings of the Board of Directors and its committees. Directors' compensation will be subject to review and adjustment by the shareholders from time to time.

**SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT**

**Beneficial Ownership of Common Stock**

The following table sets forth certain information regarding the beneficial ownership of our common stock as of the record date by:

- each Director and executive officer of Altisource;
- all Directors and executive officers of Altisource as a group; and
- all persons known by Altisource to own beneficially 5% or more of outstanding common stock of Ocwen or to have a Schedule 13D or Schedule 13G on file with the Securities and Exchange Commission.

The table is based upon information supplied to Ocwen by Directors, executive officers and principal shareholders and filings for Ocwen under the Securities Exchange Act of 1934, as amended. We have adjusted the number of shares in the table and the associated footnotes to reflect the anticipated distribution of one share of Altisource common stock for every three shares of Ocwen common stock as of the Distribution Date. We also have adjusted the number of shares for one-third of two equity transactions that occurred subsequent to Ocwen's fiscal year end. On April 3, 2009, Ocwen issued and sold, and granted registration rights over 5,471,500 newly-issued shares of the Company's stock. Also on April 3, 2009, Ocwen repurchased 1,000,000 shares of outstanding Common Stock held by William C. Erbey, Ocwen's Chairman and Chief Executive Officer. The number of shares referenced above and listed in the following table represents actual amounts, not thousands. These amounts represent holdings as of February 27, 2009, adjusted for known changes as further described in the footnotes. In addition, if the Separation were to trigger conversion rights under the approximately \$56,000 in aggregate outstanding principal amount of Ocwen's 3.25% Contingent Convertible Unsecured Senior Notes due 2024, additional shares of Ocwen common stock and Altisource common stock may be outstanding as a result and, if so, the numbers and percentages listed below would decrease accordingly. Conversion rights would be triggered if the value of the Altisource common stock distributed in the Distribution has a per share value exceeding 10% of the closing sales price of the Ocwen common stock on the business day preceding the announcement of the Separation.

<u>Name of Beneficial Owner:</u>	<u>Amount(1)</u>	<u>Percent(2)</u>
Barry N. Wish(3) 1661 Worthington Road, Ste 100 West Palm Beach, FL 33409	2,147,956	9.56%
Altus Capital, Inc.(4) 6120 Parkland Blvd, Suite 303 Mayfield Heights, Ohio 44124	1,862,371	8.90%
Dimensional Fund Advisors LP(5) 1299 Ocean Avenue, 11th Floor Santa Monica, CA 90401	1,138,541	5.45%
<b>Directors and Executive Officers:</b>		
William C. Erbey(6)	6,146,772	27.06%
William B. Shepro(7)	107,475	*%
Robert D. Stiles	—	0%
Kevin J. Wilcox(8)	49,878	*%
John T. McRae II	—	0%
Shekar Sivasubramanian(9)	3,333	*%
All Directors and Executive Officers as a Group ((TBD) persons)	6,307,458	27.62%

\* Less than 1%

(1) For purposes of this table, an individual is considered the beneficial owner of shares of common stock if he or she directly or indirectly has or shares voting power or investment power, as defined in the rules promulgated under the Securities Exchange Act of 1934, as amended. Unless otherwise indicated, an individual has sole

- voting power and sole investment power with respect to the indicated shares. No shares have been pledged as security by the named executive officers, directors or director nominees.
- (2) Gives effect to the issuance of 1,823,833 shares of Ocwen common stock on April 3, 2009.
  - (3) Adjusted to include the sale of 206,918 shares of common stock as reported on Form 4 to the Securities and Exchange Commission in April 2009 by Mr. Wish.
  - (4) Based on information contained in a Schedule 13G/A filed with the Securities and Exchange Commission on January 22, 2009, by Altus Capital, LLC. Includes 782,038 shares as to which sole voting power and sole dispositive power is claimed. Includes 1,080,333 shares as to which shared voting power and shared dispositive power is claimed.
  - (5) Based on information contained in a Schedule 13G/A filed with the Securities and Exchange Commission on February 9, 2009, by Dimensional Fund Advisors LP, an investment advisor registered under Section 203 of the Investment Advisors Act of 1940. Includes 1,130,919 shares as to which sole voting power and 1,138,541 shares as to which sole dispositive power is claimed.
  - (6) Includes 4,108,812 shares held by FF Plaza Partners, a Delaware partnership of which the partners are William C. Erbey, his spouse, E. Elaine Erbey and Delaware Permanent Corporation, a corporation wholly-owned by William C. Erbey after giving effect to the 333,333 shares sold by FF Plaza to Ocwen on April 3, 2009. Mr. and Mrs. William C. Erbey share voting and dispositive power with respect to the shares owned by FF Plaza Partners. Also includes 1,803,234 shares held by Erbey Holding Corporation, a corporation wholly-owned by William C. Erbey. Also includes options to acquire 233,826 shares, which are exercisable on or within 60 days after May 1, 2009.
  - (7) Includes options to acquire 82,997 shares, which are exercisable on or within 60 days after May 1, 2009.
  - (8) Includes options to acquire 39,923 shares, which are exercisable on or within 60 days after May 1, 2009.
  - (9) Includes options to acquire 3,333 shares, which are exercisable on or within 60 days after May 1, 2009.

#### CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

William C. Erbey, who will become our non-executive Chairman of the Board as a result of the Separation, is currently, and will remain, the Chief Executive Officer and Chairman of the Board of Ocwen. As a result, he has obligations to us as well as to Ocwen and may potentially have conflicts of interest with respect to matters potentially or actually involving or affecting us and Ocwen. Mr. Erbey owns substantial amounts of Ocwen common stock and stock options because of his relationships with Ocwen. In addition, Mr. Shepro and certain of our executive officers also own Ocwen stock and stock options due to similar current or past relationships with Ocwen.

In addition, see "Relationship Between Ocwen and Us Following the Separation" for a description of the intercompany agreements that will exist between Ocwen and Altisource following the Separation.

#### DESCRIPTION OF CAPITAL STOCK

##### Sales of Unregistered Securities

In connection with our conversion to a Luxembourg société anonyme from a Luxembourg S.à r.l., we issued [ ] registered shares of Altisource common stock, par value \$1.00 per share, to Ocwen in consideration of an aggregate capital contribution of \$[ ] by Ocwen. Accordingly, the nominal value of the total share capital of Altisource after the issuance was \$[ ]. This issuance was exempt from registration under the Securities Act pursuant to Section 4(2) thereof because the issuance did not involve any public offering of securities.

##### Authorized Capital Stock

Under our Articles of Incorporation, the total share capital that has been issued at conversion is \$[ ] of which all are shares of common stock, par value \$1.00 per share. We intend to conduct capital increases to facilitate the Separation which capital increases must be approved by the Board of Directors. Based on the number of Ocwen shares outstanding on [ ], 2009, approximately [ ] shares of Altisource common stock will be



issued to stockholders of Ocwen on the Separation Date though the actual number of shares of Altisource common stock to be issued will be determined as of the Record Date. All of the shares of Altisource common stock to be distributed to Ocwen stockholders in the Separation will be fully paid and non-assessable.

The following summary of certain terms of Altisource capital stock describes the material provisions of our Articles of Incorporation, the form of which is or will be included as an exhibit to our registration statement on Form 10. The following summary does not purport to be complete and is subject to, and qualified in its entirety by, our Articles of Incorporation and by applicable provisions of law.

#### **Common Stock**

The holders of shares of Altisource common stock will be entitled to one vote for each share on all matters voted on by shareholders, and the holders of such shares will possess all voting power. Accordingly, the holders of the majority of the shares of Altisource common stock cast (excluding any abstentions, empty or invalid votes) at the shareholders' meeting voting for the election of Directors can elect all of the Directors if they choose to do so. The holders of shares of Altisource common stock will be entitled to such dividends as may be proposed from time to time by our Board of Directors and approved by the shareholders' meeting and, under Luxembourg law, only if the Company has sufficient distributable profits from previous fiscal years or if the Company has freely distributable reserves. To date, Altisource has not paid any dividends on its common stock, and we have no current plans to pay dividends.

#### **Transfer Agent and Registrar**

The transfer agent and registrar for Altisource common stock immediately following the Separation will be American Stock Transfer & Trust Company.

#### **Listing**

We have applied to list the shares of Altisource common stock that you will receive in the Separation on The NASDAQ Stock Market LLC under the symbol "ASPS."

### **CERTAIN ANTI-TAKE OVER CONSIDERATIONS**

#### **General**

While Altisource's Articles of Incorporation do not contain many of the typical provisions that would be considered to have an anti-takeover effect, Altisource's Directors and executive officers held 27.6% of the voting power of our outstanding voting stock as of the record date. Such concentration of voting power could discourage third parties from making proposals involving an acquisition of control of Altisource. See "Principal Shareholders."

We set forth below a summary of certain provisions that possibly could impede or delay an acquisition of control of Altisource that the Board of Directors does not approve or otherwise support. We intend this summary to be an overview only and qualify it in its entirety by reference to the documents evidencing such provisions the forms of which we include as exhibits to the registration statement on Form 10, as well as the applicable provisions of Luxembourg law.

#### **Number of Directors; Removal; Filling Vacancies**

Altisource's Articles of Incorporation provide that the number of directors on its Board of Directors shall not be less than three (whenever there is more than one shareholder) nor more than seven. Each member of the Board of Directors may be elected for a maximum term of six years. Altisource's Articles of Incorporation further provide that directors may be elected at a general meeting of shareholders by absolute majority of the votes cast (excluding any abstentions, empty or invalid votes) by the shareholders present in person or by proxy at the meeting. A vacancy or a newly created directorship as proposed by the Board of Directors may be filled by the Board on a provisional basis pending approval by shareholders at a shareholders' meeting.

Directors may at any time, with or without cause, be removed from office by resolution of the shareholders at a general meeting of shareholders, provided that a proposal for such resolution has been put on the agenda for the meeting in accordance with the requirements of Luxembourg law and Altisource's Articles of Incorporation or if the holders or proxies of all shares are present.

**No Shareholder Action by Written Consent; Special Meetings**

Altisource's Articles of Incorporation provide that shareholders may take action at an annual or special shareholders' meeting. Special meetings of shareholders may be called only if (1) Altisource's Board of Directors or its auditors deem it necessary; or (2) if shareholders holding together 10% or more of our share capital request it. Altisource's Articles of Incorporation do not allow for shareholder action by written consent in lieu of a meeting.

**Amendment of the Articles of Incorporation**

Any proposal to amend, alter, change or repeal any provision of Altisource's Articles of Incorporation requires the affirmative vote (excluding any abstentions, empty or invalid votes) at the shareholders' meeting of the holders of at least two-thirds of the votes represented and the majority of the share capital represented.

**Supermajority Vote for Certain Actions**

Our Articles of Incorporation provide that the following actions shall require the affirmative vote of shareholders holding at least 2/3 of the votes represented and the majority of the share capital represented at the shareholders' meeting:

- Amendment of Altisource's purpose;
- Creation of shares with superior voting rights;
- Creation of any restriction on the transferability of shares;
- Any authorized or conditional increase of the share capital;
- An increase of the share capital out of equity, against contributions in kind or for the purpose of acquiring assets and granting special benefits;
- Limitation or withdrawal of preferential subscription rights;
- Change of the registered office of Altisource outside of the city of Luxembourg;
- Dissolution of Altisource; or
- Conversion of registered shares into bearer shares or vice versa.

**INDEMNIFICATION OF DIRECTORS AND OFFICERS**

The following summary of material terms is qualified in its entirety by reference to the complete text of the statutes referred to below and our Articles of Incorporation.

We are incorporated under the laws of the Grand Duchy of Luxembourg, in the City of Luxembourg.

Altisource shall indemnify its Directors and officers unless the liability results from their gross negligence or willful misconduct. Altisource's Articles of Incorporation make indemnification of Directors and officers and advancement of expenses (except in cases where Altisource is proceeding against an officer or Director) to defend claims against Directors and officers mandatory on the part of Altisource to the fullest extent allowed by law. Under Altisource's Articles of Incorporation, a Director or officer may not be indemnified if such person is found, in a final judgment or decree not subject to appeal, to have committed willful misconduct or a grossly negligent breach of his or her statutory duties as a Director or officer. Luxembourg law permits the company, or each Director or officer individually, to purchase and maintain insurance on behalf of such Directors and officers. Altisource may obtain such insurance from one or more insurers.

Altisource also may enter into indemnification agreements with each of its Directors and executive officers to provide for indemnification and expense advancement (except in cases where Altisource is proceeding against an officer or Director) and include related provisions meant to facilitate the indemnitee's receipt of such benefits. We expect any such agreement to provide that Altisource will indemnify each Director and executive officer against claims arising out of such Director or executive officer's service to Altisource except (i) for any claim as to which the Director or executive officer is adjudged in a final and non-appealable judgment to have committed willful misconduct or a grossly negligent breach of his duties or (ii) in the case of fraud or dishonesty by the Director or executive officer. We also expect any such agreement to provide that expense advancement is provided subject to an undertaking by the indemnitee to repay amounts advanced if it is ultimately determined that he is not entitled to indemnification.

The Board of Directors of Altisource (if a majority of the Board is disinterested in the claim under which the officer or Director is seeking indemnification) or an independent counsel will determine whether an indemnification payment or expense advance should be made in any particular instance and the executive officer or Director seeking indemnification may challenge such determination. Indemnification and advancement of expenses generally will not be made in connection with proceedings brought by the indemnitee against Altisource.

#### WHERE YOU CAN FIND MORE INFORMATION

We have filed a registration statement on Form 10 with the SEC with respect to the shares of our common stock being distributed as contemplated by this information statement. This information statement is a part of, and does not contain all of the information set forth in, the registration statement and the exhibits and schedules to the registration statement. For further information with respect to our Company and our common stock, please refer to the Registration Statement including its exhibits and schedules. Statements made in this information statement relating to any contract or other document are not necessarily complete, and you should refer to the exhibits attached to the registration statement for copies of the actual contract or document. You may review a copy of the Registration Statement, including its exhibits and schedules, at the SEC's public reference room, located at 100 F Street, N.E., Washington, D.C. 20549, as well as on the Internet web site maintained by the SEC at [www.sec.gov](http://www.sec.gov). Please call the SEC at 1-800-SEC-0330 for further information on the public reference room. Information contained on any web site referenced in this information statement is not incorporated by reference into this Information Statement or the Registration Statement of which this information statement is a part. Our Internet address is included in this information statement as an inactive textual reference only.

After the Separation, we will become subject to the information and reporting requirements of the Exchange Act and, in accordance with the Exchange Act, we will file periodic reports, proxy statements and other information with the SEC. Our future filings will be available from the SEC as described above.

After the Separation, we will make available free of charge most of our future SEC filings through our Internet web site [www.altisource.com](http://www.altisource.com) as soon as reasonably practicable after we file these materials with the SEC. You may also request a copy of our future SEC filings at no cost, by writing or telephoning us at:

Altisource Portfolio Solutions S.A.  
2-8 Avenue Charles deGaulle , L-1653 Luxembourg  
Grand Duchy of Luxembourg  
R.C.S. Luxembourg: B 72 391  
Luxembourg  
Telephone 407-737-5419  
Attention: Corporate Secretary

We will furnish holders of our common stock with annual reports containing consolidated financial statements prepared in accordance with U.S. generally accepted accounting principles and audited and reported on, with an opinion expressed, by an independent public accounting firm.

You should rely only on the information contained in this information statement or to which we have referred you. We have not authorized any person to provide you with different information or to make any representation not contained in this information statement.

INDEX TO FINANCIAL STATEMENTS

**Combined Consolidated Financial Statements of Altisource Portfolio Solutions S.à.r.l. (to be converted into Altisource Portfolio Solutions S.A. in connection with the transactions described herein):**

<a href="#">Report of Independent Registered Certified Public Accounting Firm</a>	F-2
<a href="#">Combined Consolidated Balance Sheets at December 31, 2008 and 2007</a>	F-3
<a href="#">Combined Consolidated Statements of Operations for the years ended December 31, 2008, 2007 and 2006</a>	F-4
<a href="#">Combined Consolidated Statements of Invested Equity for the years ended December 31, 2008, 2007 and 2006</a>	F-5
<a href="#">Combined Consolidated Statements of Cash Flows for the years ended December 31, 2008, 2007 and 2006</a>	F-6
<a href="#">Notes to Combined Consolidated Financial Statements</a>	F-7
<b>Consolidated Financial Statements of Nationwide Credit, Inc. and Subsidiary for the Period From January 1, 2007 to June 5, 2007:</b>	
<a href="#">Report of Independent Auditors</a>	F-30
<a href="#">Consolidated Statement of Operations</a>	F-31
<a href="#">Consolidated Statement of Cash Flows</a>	F-32
<a href="#">Notes to Consolidated Financial Statements</a>	F-33
<b>Consolidated Financial Statements of Nationwide Credit, Inc. and Subsidiary for the Year Ended December 31, 2006:</b>	
<a href="#">Report of Independent Auditors</a>	F-37
<a href="#">Consolidated Balance Sheet</a>	F-38
<a href="#">Consolidated Statement of Operations</a>	F-39
<a href="#">Consolidated Statement of Changes in Stockholder's Deficit</a>	F-40
<a href="#">Consolidated Statement of Cash Flows</a>	F-41
<a href="#">Notes to Consolidated Financial Statements</a>	F-42

**Report of Independent Registered Certified Public Accounting Firm**

To the Board of Directors of:  
Ocwen Financial Corporation:

In our opinion, the accompanying combined consolidated balance sheets and the related combined consolidated statements of operations, invested equity and cash flows present fairly, in all material respects, the financial position of the Altisource businesses as described in Note 1 of the combined consolidated financial statements at December 31, 2008 and 2007, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 2008 in conformity with accounting principles generally accepted in the United States of America. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these statements in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

As discussed in Note 4 to the financial statements, the Company has entered into significant transactions with Ocwen Financial Corporation, a related party.

/s/ PricewaterhouseCoopers LLP

Fort Lauderdale, Florida  
May 12, 2009  
except for Note 19 which  
is as of June 26, 2009

**ALTISOURCE PORTFOLIO SOLUTIONS S.À.R.L.**  
**(to be converted into ALTISOURCE PORTFOLIO SOLUTIONS S.A. in connection**  
**with the transactions described herein)**

**COMBINED CONSOLIDATED BALANCE SHEETS**

	December 31,	
	2008	2007
	(Dollars in thousands)	
<b>ASSETS</b>		
Current assets:		
Cash	\$ 6,988	\$ 5,688
Accounts receivable, net	9,077	16,770
Prepaid expenses and other current assets	3,021	3,326
Deferred tax asset, net	268	1,003
Total current assets	19,354	26,787
Premises and equipment, net	9,304	12,173
Intangible assets, net	36,391	38,945
Goodwill	11,540	14,797
Other assets	86	143
Total assets	\$ 76,675	\$ 92,845
<b>LIABILITIES AND STOCKHOLDER'S EQUITY</b>		
Current liabilities:		
Accounts payable and accrued expenses	\$ 4,767	\$ 8,137
Capital lease obligations — current	916	1,842
Line of credit and other secured borrowings	1,123	147
Other current liabilities	6,213	3,048
Total current liabilities	13,019	13,174
Capital lease obligations — non current	440	1,789
Deferred tax liability, net	2,670	2,208
Commitments and contingencies (Note 16)		
Stockholder's Equity		
Common stock, EUR 25 par value; 263,412 shares authorized, issued and outstanding	6,059	6,059
Invested equity	54,487	69,615
Total stockholder's equity	60,546	75,674
Total liabilities and stockholder's equity	\$ 76,675	\$ 92,845

The accompanying notes are an integral part of these combined consolidated financial statements.

**ALTISOURCE PORTFOLIO SOLUTIONS S.À.R.L.**  
**(to be converted into ALTISOURCE PORTFOLIO SOLUTIONS S.A. in connection**  
**with the transactions described herein)**

**COMBINED CONSOLIDATED STATEMENTS OF OPERATIONS**

	For the Year Ended December 31,		
	2008	2007	2006
	(Dollars in thousands)		
Revenue	\$ 160,363	\$ 134,906	\$ 96,603
Cost of revenue	115,048	96,954	72,163
Gross profit	45,315	37,952	24,440
Selling, general and administrative expenses	28,088	27,930	17,622
Income from operations	17,227	10,022	6,818
Other income (expense), net			
Interest income	16	6	—
Interest expense	(2,607)	(1,932)	(789)
Other, net	(35)	183	994
Total other income (expense), net	(2,626)	(1,743)	205
Income before income taxes	14,601	8,279	7,023
Income tax provision	(5,382)	(1,564)	(1,616)
Net income	<u>\$ 9,219</u>	<u>\$ 6,715</u>	<u>\$ 5,407</u>
Transactions with related parties included above:			
Revenue	<u>\$ 64,251</u>	<u>\$ 59,350</u>	<u>\$ 51,971</u>
Selling, general and administrative expenses	<u>\$ 6,208</u>	<u>\$ 8,864</u>	<u>\$ 9,103</u>
Interest expense	<u>\$ 2,269</u>	<u>\$ 965</u>	<u>\$ 503</u>

The accompanying notes are an integral part of these combined consolidated financial statements.

**ALTISOURCE PORTFOLIO SOLUTIONS S.À.R.L.**  
**(to be converted into ALTISOURCE PORTFOLIO SOLUTIONS S.A. in connection**  
**with the transactions described herein)**

**COMBINED CONSOLIDATED STATEMENTS OF INVESTED EQUITY**

	<u>Common Stock</u>	<u>Invested Equity</u>
	(Dollars in thousands)	
<b>Balance at December 31, 2005</b>	\$ 6,059	\$ 10,176
Net income	—	5,407
Net transfers to parent	—	(6,794)
<b>Balance at December 31, 2006</b>	6,059	8,789
Net income	—	6,715
Contribution for acquisition	—	56,980
Net transfers to parent	—	(2,869)
<b>Balance at December 31, 2007</b>	6,059	69,615
Net income	—	9,219
Net transfers to parent	—	(24,347)
<b>Balance at December 31, 2008</b>	<u>\$ 6,059</u>	<u>\$ 54,487</u>

The accompanying notes are an integral part of these combined consolidated financial statements.



**ALTISOURCE PORTFOLIO SOLUTIONS S.À.R.L.**  
**(to be converted into ALTISOURCE PORTFOLIO SOLUTIONS S.A. in connection**  
**with the transactions described herein)**

**COMBINED CONSOLIDATED STATEMENTS OF CASH FLOWS**

	For the Years Ended December 31,		
	2008	2007	2006
	(Dollars in thousands)		
<b>Cash flows from operating activities</b>			
Net income	\$ 9,219	\$ 6,715	\$ 5,407
Adjustments to reconcile net income to net cash provided (used) by operating activities			
Depreciation and amortization	7,836	6,979	9,685
Amortization of intangible assets	2,554	1,555	—
Deferred income taxes, net	1,197	(1,589)	(1,128)
Loss on disposal of premises and equipment	249	—	(58)
Changes in operating assets and liabilities, net of acquisitions:			
Accounts receivable, net	7,693	(4,487)	2,478
Prepaid expenses and other current assets	305	587	(266)
Other assets	57	207	1
Accounts payable and accrued expenses	(3,370)	(2,551)	(825)
Other current liabilities	3,165	613	(905)
Net cash flow from operating activities	28,905	8,029	14,389
<b>Cash flows from investing activities</b>			
Additions to premises and equipment, net	(5,216)	(4,236)	(8,321)
Proceeds from sale of premises and equipment	—	—	110
Acquisition of NCI Holdings, Inc., net of cash acquired (Note 5)	—	(52,541)	—
Net cash flow from investing activities	(5,216)	(56,777)	(8,211)
<b>Cash flows from financing activities</b>			
Repayment of short-term borrowings	(147)	—	—
Principal payments on capital lease obligations	(2,275)	(811)	—
Additions to capital lease obligations	—	—	616
Proceeds from borrowing of long-term debt	—	27,500	—
Repayment of long-term debt	—	(27,500)	—
Borrowings from line of credit	33,417	—	—
Payments of line of credit	(32,294)	—	—
Net (distribution to) contribution from Parent	(21,090)	55,247	(6,794)
Net cash flow from financing activities	(22,389)	54,436	(6,178)
Net increase in cash	1,300	5,688	—
Cash at beginning of year	5,688	—	—
Cash at end of year	<u>\$ 6,988</u>	<u>\$ 5,688</u>	<u>\$ —</u>

The accompanying notes are an integral part of these combined consolidated financial statements.

**ALTISOURCE PORTFOLIO SOLUTIONS S.À.R.L.**  
**(to be converted into ALTISOURCE PORTFOLIO SOLUTIONS S.A. in connection**  
**with the transactions described herein)**

**NOTES TO COMBINED CONSOLIDATED FINANCIAL STATEMENTS**  
**(Dollars in thousands)**

**NOTE 1 DESCRIPTION OF BUSINESS, BASIS OF PRESENTATION AND SEPARATION**

***Description of Business***

Altisource Portfolio Solutions S.à.r.l. (“Altisource” or the “Company”), together with its subsidiaries, provides real estate mortgage portfolio management and related technology products and asset recovery and customer relationship management services. Altisource was incorporated under the laws of Luxembourg on November 4, 1999 as Ocwen Luxembourg S.à.r.l., renamed Altisource Portfolio Solutions S.à.r.l. on May 12, 2009 and is planned to be converted into Altisource Portfolio Solutions S.A. Altisource has applied to list its common stock on The NASDAQ Stock Market LLC under the symbol “ASPS.” Except as otherwise indicated or unless the context otherwise requires, “Altisource,” “we,” “us,” “our” and the “Company” refer to Altisource Portfolio Solutions S.à.r.l., a Luxembourg public limited liability company, and its subsidiaries.

We manage our operations through three reportable segments: Through our Mortgage Services business, we provide residential mortgage origination and default management services including due diligence, underwriting, valuation, real estate sales, default processing services, property inspection and preservation services, homeowner outreach, closing and title services and knowledge process outsourcing services. Through our Financial Services business, we provide secured and unsecured collection services and customer relationship management primarily to the financial services, consumer products, telecommunications and utilities industries. Through our Technology Products business, we provide technology products and services to the mortgage industry including our REAL suite of applications that provide production applications and support to the servicing and origination businesses.

***Basis of Presentation***

The combined consolidated financial statements present the historical results of operations, assets and liabilities attributable to the Altisource businesses. These financial statements have been prepared on a “carve-out” basis from Ocwen Financial Corporation (“Ocwen” or “Parent”) and, because a direct ownership relationship did not exist among the various units comprising the Altisource business, combine and do not consolidate Altisource Portfolio Solutions S.à.r.l., and its subsidiaries with Ocwen’s wholly-owned subsidiaries NCI Holdings, Inc. (“NCI”); Nationwide Credit, Inc. (a wholly-owned subsidiary of NCI); Premium Title Services, Inc.; REALHome Services and Solutions, Inc.; Portfolio Management Outsourcing Solutions, LLC; and Western Progressive Trustee LLC. Once Ocwen contributes the subsidiaries to Altisource Portfolio Solutions S.A., these financial statements will be presented on a consolidated and not combined basis. Per share data have not been presented since these financial statements are prepared on a combined basis.

Within these financial statements, entities that are part of Ocwen’s consolidated results of operations, but are not part of Altisource as defined above, are referred to as “related entities.” These combined consolidated financial statements also reflect the capital structures of the each of the combined subsidiaries. Along with the contribution of these subsidiaries, Ocwen intends to contribute the equity and any intercompany balances between these entities and Ocwen to Altisource. We have recorded these balances as part of the invested equity of Altisource. NCI Holdings, Inc. includes only the operations of Nationwide Credit Inc. We formed REALHome Services and Solutions, Inc., Portfolio Management Outsourcing Solutions, LLC and Western Progressive Trustee LLC late in

**ALTISOURCE PORTFOLIO SOLUTIONS S.À.R.L.**  
**(to be converted into ALTISOURCE PORTFOLIO SOLUTIONS S.A. in connection**  
**with the transactions described herein)**

**NOTES TO COMBINED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)**

2008 with minimal capital and only Portfolio Management Outsourcing Solutions, LLC had operations during 2008. A summary of the individual equity accounts for each of the above incorporated entities is as follows:

	Common Stock	Retained Earnings (Accumulated Deficit)	Invested Equity	Total
<b>December 31, 2008:</b>				
Altisource Portfolio Solutions S.A.	\$ 6,059	\$ —	\$ 54,487	\$ 60,546
NCI Holdings, Inc.	29,480	(8,379)	—	21,101
Premium Title Services, Inc.	400	(628)	—	(228)
Portfolio Management Outsourcing Solutions, LLC	—	(213)	—	(213)
Eliminations	(29,880)	9,220	—	(20,660)
<b>Total stockholder's equity</b>	<b>\$ 6,059</b>	<b>\$ —</b>	<b>\$ 54,487</b>	<b>\$ 60,546</b>
<b>December 31, 2007:</b>				
Altisource Portfolio Solutions S.A.	\$ 6,059	\$ —	\$ 69,615	\$ 75,674
NCI Holdings, Inc.	29,480	(2,380)	—	27,100
Premium Title Services, Inc.	400	2,006	—	2,406
Eliminations	(29,880)	374	—	(29,506)
<b>Total stockholder's equity</b>	<b>\$ 6,059</b>	<b>\$ —</b>	<b>\$ 69,615</b>	<b>\$ 75,674</b>

These combined consolidated financial statements also include allocations of expenses from Ocwen. Ocwen currently provides certain corporate functions to Altisource, including business insurance, medical insurance and employee benefit plan expenses and allocations for certain centralized administration costs for executive management, treasury, real estate, accounting, auditing, tax, risk management, internal audit, human resources and benefits administration. We determined these allocations using proportional cost allocation methods including the use of relevant operating profit, fixed assets, sales and payroll measurements. Specifically, personnel and all associated costs, including compensation, benefits, occupancy and other costs, are allocated based on the estimated percentage of time spent by the individual in the various departments. External costs such as audit fees, legal fees, business insurance and other are allocated based on a combination of the sales, fixed assets and operating profits of the department, whichever is most appropriate given the nature of the expense.

The combined consolidated financial statements may not be indicative of the Company's future performance and do not necessarily reflect what its combined consolidated results of operations, financial position and cash flows would have been had the Company operated as an independent company during the periods presented. For instance, Altisource expects to incur costs in excess of those allocated by Ocwen for maintaining a separate Board of Directors, obtaining a separate audit, relocating certain executive management and hiring additional personnel to operate separate from Ocwen. The charges for these functions are included primarily in "selling, general and administrative expenses" in the combined consolidated statements of operations. In addition, Ocwen has allocated interest expense to us based upon our portion of assets to Ocwen's total assets which is reflected as "Interest expense" in the combined consolidated statements of operations. Management believes such allocations are reasonable; however, they may not be indicative of the actual expense that would have been incurred had the Company been operating as an independent company for the periods presented. To the extent that an asset, liability, revenue or expense is directly associated with the Company, it is reflected in the accompanying combined consolidated financial statements.

**ALTISOURCE PORTFOLIO SOLUTIONS S.À.R.L.**  
**(to be converted into ALTISOURCE PORTFOLIO SOLUTIONS S.A. in connection**  
**with the transactions described herein)**

**NOTES TO COMBINED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)**

The accompanying combined consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”). The Company eliminates from its financial results all intercompany transactions between entities included in the combination.

***Separation***

In November 2008, the Board of Directors of Ocwen authorized the pursuit of a plan to separate, through a tax free spin-off, the majority of the operations of the knowledge process outsourcing business currently known as the Ocwen Solutions business, into a separate public company (the “Separation”). As of the date of the Separation Ocwen will contribute to Altisource the business operations of Ocwen not already included in Altisource. Altisource also has business operations that will remain with Ocwen after the Separation, and we will distribute those operations to Ocwen as of the date of the Separation. The operations of BMS Holdings, Inc., an equity investment which Ocwen refers to as BMS, and Global Servicing Solutions, LLC, a majority owned consolidated investment which Ocwen refers to as GSS, will remain with Ocwen after the Separation. As the operations of these businesses are not similar to our business, are managed and financed autonomously and do not share common offices with Altisource, we have excluded them from these combined consolidated financial statements. We intend for the Separation to be tax-free for United States federal income tax purposes. The Separation is subject to certain conditions including but not limited to confirmation of the tax-free treatment of the spin-off, necessary regulatory approvals, any required lender counterparty consents and final approval by the Ocwen Board of Directors.

In connection with the Separation, Ocwen will distribute all of the Altisource common stock to Ocwen’s shareholders (the “Distribution”). Ocwen’s stockholders will receive one share of Altisource common stock for every three shares of Ocwen common stock held as of the date of the Separation (the “Separation Date”). Altisource and Ocwen also will enter into various agreements that address the allocation of assets and liabilities between them and that define their relationship after the Separation including a separation agreement, a tax matters agreement, an employee matters agreement, an intellectual property agreement, a data center and disaster recovery agreement, a transition services agreement and certain long-term servicing contracts (collectively, the “Agreements”). Assuming final approvals are obtained, Ocwen currently is targeting a Separation Date in the third quarter of 2009.

***Use of Estimates***

The preparation of these combined consolidated financial statements in conformity with U.S. GAAP principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the combined consolidated financial statements and the reported amounts of revenues and expenses during the periods reported. Actual results could differ materially from those estimates.

***Foreign Currency Translation***

Where the functional currency is not the U.S. dollar, we translate assets and liabilities of foreign entities into U.S. dollars at the current rate of exchange existing at the balance sheet date and revenues and expenses at average monthly rates. We include the resulting translation adjustments as a component of invested equity. Where the functional currency of a foreign entity is the U.S. dollar, re-measurement adjustments are included in the results of operations. Such adjustments were not material for any period presented.

**ALTISOURCE PORTFOLIO SOLUTIONS S.À.R.L.**  
**(to be converted into ALTISOURCE PORTFOLIO SOLUTIONS S.A. in connection**  
**with the transactions described herein)**

**NOTES TO COMBINED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)**

**NOTE 2      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

***Cash***

Cash includes interest-bearing demand deposits with financial institutions.

Altisource historically has participated in a centralized cash management program operated by Ocwen. We make a significant amount of our cash disbursements through centralized payable systems which are operated by Ocwen, and we receive a significant amount of cash receipts and transfer them to centralized accounts maintained by Ocwen with the exception of our Luxembourg entity and NCI which maintains their own cash accounts. The cash in these entities is available for use by us.

***Accounts Receivable, net***

Accounts receivable are net of an allowance for doubtful accounts that represent an amount that we estimate to be uncollectible. We have estimated the allowance for doubtful accounts based on our historical write-offs, our analysis of past due accounts based on the contractual terms of the receivables, and our assessment of the economic status of our customers, if known. The carrying value of accounts receivable, net, approximates fair value.

***Premises and Equipment, net***

We report premises and equipment at cost or estimated fair value at acquisition and depreciate them over their estimated useful lives using the straight-line method as follows:

Furniture and fixtures	5 years
Office equipment	5 years
Computer hardware and software	2 - 3 years
Leasehold improvements	Shorter of useful life or term of the lease

We record payments for maintenance and repairs as expenses when incurred. We record expenditures for significant improvements and new equipment as capital expenses and depreciate them over the shorter of the capitalized asset's life or the life of the lease.

We review premises and equipment for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. We measure recoverability of assets to be held and used by comparison of the carrying amount of an asset to estimated undiscounted future cash flows expected to be generated by the asset. If the carrying amount of an asset exceeds its estimated future cash flows, we recognize an impairment charge in the amount by which the carrying amount of the assets exceed the fair value of the asset.

Computer software includes the fair value of software acquired in business combinations and purchased software. We record purchased software at cost and amortize it using the straight-line method over its estimated useful life. We record software acquired in business combinations at its fair value and amortize it using straight-line or accelerated methods over its estimated useful life, ranging from two to three years.

***Goodwill and Intangible Assets, net***

We classify intangible assets into three categories: (1) intangible assets with definite lives subject to amortization; (2) intangible assets with indefinite lives; and (3) goodwill, which represents the excess of cost over the fair value of assets acquired and liabilities assumed in business combinations. Currently we do not have any intangible assets with indefinite lives.

**ALTISOURCE PORTFOLIO SOLUTIONS S.À.R.L.**  
**(to be converted into ALTISOURCE PORTFOLIO SOLUTIONS S.A. in connection**  
**with the transactions described herein)**

**NOTES TO COMBINED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)**

For intangible assets with definite lives, we perform tests for impairment if conditions exist that indicate the carrying value may not be recoverable. For intangible assets with indefinite lives and goodwill, we perform tests for impairment at least annually or more frequently if events or circumstances indicate that assets might be impaired.

When facts and circumstances indicate that the carrying value of intangible assets determined to have definite lives may not be recoverable, management assesses the recoverability of the carrying value by preparing estimates of cash flows of discrete intangible assets consistent with models utilized for internal planning purposes. If the sum of the undiscounted expected future cash flows is less than the carrying value, we would recognize an impairment to the extent carrying amount exceeds fair value (determined by discounting the expected future cash flows consistent with assumptions we believe hypothetical marketplace participants would use). No impairment was recognized during the periods presented.

We test goodwill in the fourth quarter or sooner if events or changes in circumstances indicate that the carrying amount may exceed its fair value. The impairment test has two steps. The first step identifies potential impairments by comparing the fair value of the reporting unit with its carrying value, including goodwill. If the calculated fair value of a reporting unit exceeds the carrying value, goodwill and indefinite lived intangibles are not impaired, and the second step is not necessary. If the carrying value of a reporting unit exceeds the fair value, the second step calculates the possible impairment loss by comparing the implied fair value with the carrying value. If the implied fair value is less than the carrying value, we would record an impairment charge. This analysis did not result in an impairment charge during the periods presented.

We determine the useful lives of our identifiable intangible assets after considering the specific facts and circumstances related to each intangible asset. Factors we consider when determining useful lives include the contractual term of any arrangements, the history of the asset, our long-term strategy for use of the asset and other economic factors. We amortize intangible assets that we deem to have definite lives on a straight-line basis over their useful lives, generally ranging from 5 to 20 years.

**Revenue Recognition**

We recognize revenues from the services we provide in accordance with Securities and Exchange Commission (“SEC”) Staff Accounting Bulletin No. 104 (“SAB No. 104”), “Revenue Recognition” and related interpretations. SAB No. 104 sets forth guidance as to when revenue is realized or realizable and earned when all of the following criteria are met: 1) persuasive evidence of an arrangement exists; 2) delivery has occurred or services have been performed; 3) the seller’s price to the buyer is fixed or determinable; and 4) collectability is reasonably assured. Generally, the contract terms for these services are relatively short in duration, and we recognize revenues as the services are performed either on a per unit or a fixed price basis. Specific policies for each of our reportable segments are as follows:

*Mortgage Services:* We recognize the majority of the services we provide in this segment on delivery of the product or service to our customer. Residential property valuation, certain property inspection and property preservation services, mortgage due diligence and certain closing and title services include specific deliverables for our customers for which we recognize revenues when we deliver the related valuation, property service, title search or due diligence report to the customer if collectability is reasonably assured. We also perform services for which we recognize revenue at the time of closing of the related real estate transaction including real estate sales, real estate closings and certain title services. For default processing services and certain property preservation services, we recognize revenue over the period during which we perform the related services, with full recognition on completion of the related foreclosure filing or on closing of the related real estate transaction. For our knowledge process outsourcing services, we charge for these services based upon the number of employees utilized and providing such services.

**ALTISOURCE PORTFOLIO SOLUTIONS S.À.R.L.**  
**(to be converted into ALTISOURCE PORTFOLIO SOLUTIONS S.A. in connection**  
**with the transactions described herein)**

**NOTES TO COMBINED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)**

*Financial Services:* We generally earn our fees for asset recovery management services as a percentage of the amount we collect on delinquent consumer receivables on behalf of our clients and recognize revenues upon collection from the debtors. We also provide customer relationship management services for which we earn and recognize revenues on a per minute basis as the related services are performed.

*Technology Products:* For our REAL suite, we charge based on the number of our client’s loans processed on the system or on a per-transaction basis. We record transactional revenues when the service is provided and other revenues monthly based on the number of loans processed, employees serviced or products provided. Furthermore, we provide IT infrastructure services to Ocwen and charge for these services based on the number of employees that are using the applicable systems and the number and type of licensed products used by Ocwen. We also generate revenues from software related services as considered under AICPA Statement of Position No. 97-2, “Software Revenue Recognition” (“SOP 97-2”), and SOP 98-9, “Modification of SOP No. 97-2, Software Revenue Recognition, with Respect to Certain Transactions” (“SOP 98-9”). We record revenue associated with implementation services upon completion and maintenance ratably over the related service period.

**Cost of revenue and selling, general and administrative expenses**

Cost of revenue includes: (i) payroll and employee benefits associated with personnel employed in customer service roles; (ii) fees paid to external providers of valuation, title, due diligence and other outsourcing services, as well as printing and mailing costs for correspondence with debtors; and (iii) technology and telephone expenses, as well as depreciation and amortization of operating assets.

Selling, general, and administrative expenses include payroll, employee benefits, occupancy and other costs associated with personnel employed in executive, sales, marketing, human resources and finance roles. Selling, general, and administrative expenses also includes professional fees and depreciation on non-operating assets.

The components of the cost of revenue and for selling, general and administrative expenses for the years ended December 31 were as follows:

	<u>2008</u>	<u>2007</u>	<u>2006</u>
<b>Cost of revenue:</b>			
Compensation and benefits	\$ 59,311	\$ 44,886	\$ 30,334
Outside fees and services	35,825	32,830	21,969
Technology and communications	19,912	19,238	19,860
<b>Total</b>	<u>\$ 115,048</u>	<u>\$ 96,954</u>	<u>\$ 72,163</u>
<b>Selling, general and administrative expenses:</b>			
Occupancy and equipment	\$ 8,125	\$ 7,999	\$ 5,122
Corporate allocations	6,208	8,864	9,103
Professional services	3,270	3,121	1,521
Other	10,485	7,946	1,876
<b>Total</b>	<u>\$ 28,088</u>	<u>\$ 27,930</u>	<u>\$ 17,622</u>

**Income Taxes**

Until the effective date of the Separation, Ocwen will continue to include our operating results in its consolidated U.S. federal and state income tax returns. We recorded the provision for income taxes in the combined

**ALTISOURCE PORTFOLIO SOLUTIONS S.À.R.L.**  
**(to be converted into ALTISOURCE PORTFOLIO SOLUTIONS S.A. in connection**  
**with the transactions described herein)**

**NOTES TO COMBINED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)**

consolidated statements of operations at rates consistent with what we would have paid as a stand-alone taxable entity. We recognize deferred income tax assets and liabilities for temporary differences between the financial reporting basis and the tax basis of our assets and liabilities and expected benefits of utilizing net operating loss and credit carryforwards. We measure deferred income tax assets and liabilities using enacted tax rates expected to apply to taxable income in the years in which we expect to recover or settle those temporary differences. We reflect the impact on deferred income taxes of changes in tax rates and laws, if any, in the combined financial statements in the period enacted. We estimate valuation allowances on deferred tax assets based on assessments of the realizability of such asset. Our obligation for current taxes is paid by Ocwen on our behalf and settled through invested equity by means of net transfers to Parent.

The ultimate tax outcome of many transactions is uncertain. Significant judgment is required in evaluating tax positions and in computing the tax provision including valuation allowances, the timing of reversals of net operating losses and other items. We account for uncertain tax positions taken by the Company under FASB Interpretation No. 48, "Accounting for Uncertainty in Income Taxes" ("FIN 48") which may require certain benefits taken on a tax return to not be recognized in the financial statements when there is the potential for these tax positions to be successfully challenged by the taxing authorities. We adopted FIN 48 effective January 1, 2007 with no material impact on our combined consolidated financial statements. We decided to classify interest and penalties as a component of income tax expense.

**NOTE 3      ACCOUNTING PRONOUNCEMENTS TO BE ADOPTED**

*Statement of Financial Accounting Standards ("SFAS") No. 141(R)* ("*SFAS No. 141(R)*"), "Business Combinations — a replacement of FASB Statement No. 141." SFAS No. 141(R) modifies certain elements of the acquisition method of accounting used for all business combinations. The statement requires an acquirer to recognize the assets acquired, the liabilities assumed, and any noncontrolling interest in the acquiree at the acquisition date, measured at the full amounts of their fair values, with limited exceptions specified in the statement. If the business combination is achieved in stages (a step acquisition), an acquirer is also required to recognize the identifiable assets and liabilities, as well as the noncontrolling interest in the acquiree, at the full amounts of their fair values. The statement requires the acquirer to recognize restructuring and acquisition costs separately from the business combination. The statement also requires the disclosure of information necessary to understand the nature and effect of the business combination. SFAS No. 141(R) applies prospectively to business combinations for which the acquisition date is on or after January 1, 2009.

*SFAS No. 160, "Non-controlling Interests in Consolidated Financial Statements—an Amendment of ARB No. 51."* The FASB issued SFAS No. 160 on December 4, 2007. The statement establishes new accounting and reporting standards for a non-controlling interest in a subsidiary and for the deconsolidation of a subsidiary. Specifically, this statement requires the recognition of a non-controlling interest (minority interest) as equity in the consolidated financial statements separate from the invested equity. The amount of net income attributable to the non-controlling interest will be included in consolidated net income on the face of the income statement. The statement clarifies that changes in a invested ownership interest in a subsidiary that do not result in deconsolidation are equity transactions if the parent retains its controlling financial interest. In addition, when a subsidiary is deconsolidated, this statement requires that a parent recognize a gain or loss in net income based on the fair value of the entire entity, irrespective of any retained ownership, on the deconsolidation date. Such a gain or loss will be measured using the fair value of the non-controlling equity investment on the deconsolidation date. SFAS No. 160 is effective for fiscal years, and interim periods within those fiscal years, beginning on or after December 15, 2008, which for us begins with our 2009 fiscal year. The implementation of SFAS No. 160 is not expected to have a material impact on our combined consolidated balance sheet or combined consolidated statement of operations.



**ALTISOURCE PORTFOLIO SOLUTIONS S.À.R.L.**  
**(to be converted into ALTISOURCE PORTFOLIO SOLUTIONS S.A. in connection**  
**with the transactions described herein)**

**NOTES TO COMBINED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)**

**NOTE 4 RELATED PARTY TRANSACTIONS**

Altisource has historically conducted business with Ocwen and its subsidiaries. Concurrent with the Separation, we will enter into a transition services agreement under which Ocwen will provide to Altisource, and vice versa, certain short term transition services, such as human resources, vendor management, corporate services, six sigma, quality assurance, quantitative analytics, treasury, accounting, risk management, legal, strategic planning, compliance and other areas. These agreements will go into effect at the time provided in such agreements.

We recorded the revenues we earned from Ocwen based on our expectations of costs for providing such services in our historical results of operations for all periods up to the end of the first quarter of 2008. We recorded the revenues we earned from Ocwen since the beginning of the second quarter of 2008 at rates we believe to be market rates as they are consistent with one or more of the following: the fees we charge to other customers for comparable services; the rates Ocwen pays to other service providers; market surveys prepared by unaffiliated firms; and prices being charged by our competitors. This change in the second quarter of 2008 resulted in additional revenues of approximately \$6,000 in 2008. These revised rates are materially consistent with the rates we will charge Ocwen under the various long-term servicing contracts into which we will enter in connection with the Separation.

Altisource currently provides Ocwen and its subsidiaries with the following services:

**Mortgage Services**

- valuation services
- residential due diligence
- residential fulfillment support services
- real estate management and sales
- property inspection and preservation services
- closing and title services
- homeowner outreach
- trustee foreclosure services

**Technology Products**

- residential loan servicing software
- vendor management and order fulfillment software
- default resolution services
- IT infrastructure support
- invoice presentment and payment software
- commercial loan servicing software

**Financial Services**

- mortgage charge-off and deficiency collections

***Allocation of Corporate Costs***

The costs of certain services that are provided by Ocwen to the Company have been reflected in these financial statements including charges for services such as business insurance, medical insurance and employee benefit plan expenses and allocations for certain centralized administration costs for treasury, real estate, accounting, auditing, tax, risk management, internal audit, human resources and benefits administration. These allocations of centralized administration costs were determined using proportional cost allocation methods including use of relevant operating profit, fixed assets, sales and payroll measurements. Allocated costs are included in selling, general and administrative expenses in the combined consolidated statements of operations and within invested equity in the combined consolidated balance sheets. The allocation of corporate costs was \$6,208, \$8,864 and \$9,103 for the years ended December 31, 2008, 2007 and 2006, respectively. These costs represent management's allocation of the costs incurred. However, these amounts may not be representative of the costs necessary for the Company to operate as a separate standalone company. We reflect costs paid by Ocwen on behalf of the Company in "net transfers to parent" in the combined consolidated statements of invested equity.

**ALTISOURCE PORTFOLIO SOLUTIONS S.À.R.L.**  
**(to be converted into ALTISOURCE PORTFOLIO SOLUTIONS S.A. in connection**  
**with the transactions described herein)**

**NOTES TO COMBINED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)**

**NOTE 5 ACQUISITION**

On June 6, 2007, Ocwen acquired all of the outstanding common shares of NCI. The aggregate purchase price was \$56,980 including \$2,000 of closing adjustments. The purchase price was paid \$56,980 in cash of which \$27,500 was obtained through a bank debt facility. The entire \$27,500 debt facility was repaid in September 2007. The results of NCI's operations and financial position have been included in the combined consolidated financial statements since its acquisition.

NCI's primary business at the time of acquisition was contingency collections for credit card issuers and other consumer credit providers. The majority of NCI's annual revenue comes from credit card related collections with the remainder coming from other consumer credit collections, first-party customer service solutions and student loan collections. NCI primarily serves large credit issuers.

The following table summarizes the fair values of the assets acquired and liabilities assumed at the date of acquisition.

Cash	\$ 4,439
Accounts receivable, net	4,358
Other current assets	2,245
Premises and equipment	5,090
Other assets	3,953
Intangible assets	40,500
Goodwill	14,315
Total assets acquired	74,900
Current liabilities	(12,775)
Long-term liabilities	(1,223)
Deferred tax liability	(3,922)
Total liabilities assumed	(17,920)
Net assets acquired	\$ 56,980

Of the \$40,500 of acquired intangible assets, \$37,700 was assigned to customer lists and \$2,800 was assigned to trademarks based on valuations performed to determine the values of such assets as of the acquisition date. We are amortizing the intangible assets over their estimated useful lives, which range from 10 to 20 years for customer lists and five years for trademarks. Amortization of customer lists reflects the pattern in which the economic benefits of the customer lists are expected to be realized.

We recorded an accrual in purchase accounting of \$1,361 in current liabilities, which related to costs incurred to involuntarily terminate employees of the acquired company and office closures. All termination and office closure costs were paid in cash in accordance with the plan of termination during the one year period following the acquisition date. Office closure costs related to early termination penalties. The accrual reversal for severance is reflected as a reduction of goodwill in 2008.

**ALTISOURCE PORTFOLIO SOLUTIONS S.À.R.L.**  
**(to be converted into ALTISOURCE PORTFOLIO SOLUTIONS S.A. in connection**  
**with the transactions described herein)**

**NOTES TO COMBINED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)**

The following presents the roll forward of the involuntary termination and office closure accruals:

	<u>Severance</u>	<u>Office Closure</u>
Balance at January 1, 2007	\$ —	\$ —
Additions	589	772
Cash payments	(88)	(772)
Balance at December 31, 2007	501	—
Cash payments	(313)	—
Accrual reversal	(188)	—
Balance at December 31, 2008	<u>\$ —</u>	<u>\$ —</u>

**NOTE 6 ACCOUNTS RECEIVABLE, NET**

Accounts receivable, net, consisted of the following at December 31:

	<u>2008</u>	<u>2007</u>
Accounts receivable	\$ 8,498	\$ 12,427
Unbilled fees	1,356	5,302
Total accounts receivable	9,854	17,729
Allowance for doubtful accounts	(777)	(959)
	<u>\$ 9,077</u>	<u>\$ 16,770</u>

A summary of the allowance for doubtful accounts, net of recoveries, for the years ended December 31, 2008 and 2007 is as follows:

Allowance for doubtful accounts as of December 31, 2006	\$ 765
Bad debt expense	1,779
Recoveries	(1,134)
Write-offs	(451)
Allowance for doubtful accounts as of December 31, 2007	959
Bad debt expense	864
Recoveries	(449)
Write-offs	(597)
Allowance for doubtful accounts as of December 31, 2008	<u>\$ 777</u>

As of December 31, 2008, two customers in the Financial Services segment accounted for 19.6% and 11.9% of net accounts receivable, respectively. One of these customers accounted for 25.8% of revenues in 2008 and 14.3% in 2007. No customers other than related parties represented more than 10% of our revenues in 2006.

**ALTISOURCE PORTFOLIO SOLUTIONS S.À.R.L.**  
**(to be converted into ALTISOURCE PORTFOLIO SOLUTIONS S.A. in connection**  
**with the transactions described herein)**

**NOTES TO COMBINED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)**

**NOTE 7      PREPAID EXPENSES AND OTHER CURRENT ASSETS**

Prepaid expenses and other current assets consisted of the following at December 31:

	<u>2008</u>	<u>2007</u>
Prepaid expenses	\$ 1,792	\$ 2,098
Maintenance agreements	785	1,214
Other	444	14
	<u>\$ 3,021</u>	<u>\$ 3,326</u>

**NOTE 8      PREMISES AND EQUIPMENT, NET**

Our premises and equipment, which include amounts recorded under capital leases, are recorded at cost. Property and equipment are summarized as follows at December 31:

	<u>2008</u>	<u>2007</u>
Computer hardware and software	\$ 86,714	\$ 85,029
Office equipment and other	6,072	4,746
Furniture and fixtures	1,270	1,296
Leasehold improvements	2,047	2,431
	<u>96,103</u>	<u>93,502</u>
Less accumulated depreciation and amortization	(86,799)	(81,329)
	<u>\$ 9,304</u>	<u>\$ 12,173</u>

Depreciation and amortization expense, inclusive of capital lease obligations, amounted to \$7,836, \$6,979 and \$9,685 for 2008, 2007 and 2006, respectively.

**NOTE 9      GOODWILL AND INTANGIBLE ASSETS, NET**

**Goodwill**

Goodwill and intangible assets relate to the acquisitions of NCI and the company that developed the predecessor to our REALTrans® vendor management platform. No impairment charges were taken during the periods presented.

Changes in goodwill assets during the years ended December 31, 2008 and 2007 are summarized below:

	<u>Technology Products</u>	<u>Financial Services</u>	<u>Total</u>
Balance as of December 31, 2006	\$ 1,618	\$ —	\$ 1,618
Acquisition of NCI	—	14,315	14,315
Tax amortizable goodwill(2)	—	(1,136)	(1,136)
Balance as of December 31, 2007	1,618	13,179	14,797
Purchase price adjustments(1)	—	365	365
Tax amortizable goodwill(2)	—	(3,622)	(3,622)
Balance as of December 31, 2008	<u>\$ 1,618</u>	<u>\$ 9,922</u>	<u>\$ 11,540</u>

**ALTISOURCE PORTFOLIO SOLUTIONS S.À.R.L.**  
**(to be converted into ALTISOURCE PORTFOLIO SOLUTIONS S.A. in connection**  
**with the transactions described herein)**

**NOTES TO COMBINED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)**

- (1) Purchase price adjustments related to the finalization of the NCI purchase accounting, which included fair valuing the assets acquired and liabilities assumed, recording of deal related costs and deferred taxes.
- (2) Prior to our acquisition of NCI in 2007, NCI made an acquisition which created tax-deductible goodwill that amortizes for tax purposes over time. When we acquired NCI in 2007, we recorded a lesser amount of goodwill for financial reporting purposes than what had previously been recorded at NCI for tax purposes. This difference between the amount of goodwill recorded for financial reporting purposes and the amount recorded for taxes is referred to as “Component 2” goodwill and it results in our recording periodic reductions of our book goodwill balance in our combined consolidated financial statements. The reduction of book goodwill also resulted in a reduction in invested equity of \$3,622 in 2008 and \$1,136 in 2007. We will continue to amortize the remaining Component 2 goodwill for tax purposes which will result in our reducing book goodwill to zero and then reducing intangible assets by the remaining tax benefits of the Component 2 goodwill as they are realized in our tax returns. The balance of Component 2 goodwill remaining was \$22,791 as of December 31, 2008, which should generate approximately \$14,510 of reductions of goodwill and then intangible assets through 2012 assuming current income levels and income tax rates.

*Intangible assets*

Changes in intangible assets during the years ended December 31, 2008 and 2007 are summarized below:

	Weighted Average Amort- ization Period (Years)	2008			2007		
		Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Definite lived intangible assets Trademarks	5	\$ 2,800	\$ 887	\$ 1,913	\$ 2,800	\$ 327	\$ 2,473
Customer lists	19	37,700	3,222	34,478	37,700	1,228	36,472
		<u>\$ 40,500</u>	<u>\$ 4,109</u>	<u>\$ 36,391</u>	<u>\$ 40,500</u>	<u>\$ 1,555</u>	<u>\$ 38,945</u>

Amortization expense for definite lived intangible assets was \$2,554 and \$1,555 for the fiscal years ended December 31, 2008 and 2007, respectively. Expected annual amortization for years 2009 through 2013, is \$2,672, \$2,672, \$2,672, \$2,346 and \$2,112, respectively.

**ALTISOURCE PORTFOLIO SOLUTIONS S.À.R.L.**  
**(to be converted into ALTISOURCE PORTFOLIO SOLUTIONS S.A. in connection**  
**with the transactions described herein)**

**NOTES TO COMBINED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)**

**NOTE 10 LEASES**

The Company leases certain premises and equipment under various capital and operating lease agreements. Future minimum lease payments at December 31, 2008 under non-cancelable capital and operating leases with an original term exceeding one year are as follows:

	<u>Capital Leases</u>	<u>Operating Leases</u>
2009	\$ 1,019	\$ 3,338
2010	465	1,080
2011	—	572
2012	—	262
2013	—	269
2014 and thereafter	—	73
<b>Total</b>	<b>1,484</b>	<b>\$ 5,594</b>
Less amounts representing interest	128	
Capital lease obligation	1,356	
Less current portion under capital lease obligation	916	
<b>Long-term portion under capital lease obligation</b>	<b>\$ 440</b>	

Total operating lease expense was \$3,904, \$2,913 and \$1,512 for the periods ended December 31, 2008, 2007, and 2006, respectively. The operating leases generally relate to office locations, and reflect customary lease terms which range from 3 to 7 years in duration. In addition to the above operating lease commitments, Altisource historically has shared several office locations with Ocwen for which the related expense generally is included in the operating lease expense noted above but for which some expense is included in the allocation of corporate costs and not separately identifiable as lease expense. Although Ocwen is the lessee under these shared leases, we have agreed to sublease this space from Ocwen. Our share of Ocwen's obligations under these leases is approximately \$1,128 in 2009, \$1,154 in 2010, \$846 in 2011, \$209 in 2012, \$215 in 2013, and \$1,176 in 2014 and thereafter.

**NOTE 11 ACCOUNTS PAYABLE AND ACCRUED EXPENSES AND OTHER CURRENT LIABILITIES**

Accounts payable and accrued expenses consisted of the following at December 31:

	<u>2008</u>	<u>2007</u>
Accounts payable	\$ 283	\$ 1,382
Accrued expenses — general	2,518	5,793
Accrued salaries and benefits	1,966	962
	<b>\$ 4,767</b>	<b>\$ 8,137</b>

**ALTISOURCE PORTFOLIO SOLUTIONS S.À.R.L.**  
**(to be converted into ALTISOURCE PORTFOLIO SOLUTIONS S.A. in connection**  
**with the transactions described herein)**

**NOTES TO COMBINED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)**

Other current liabilities consisted of the following at December 31:

	<u>2008</u>	<u>2007</u>
Mortgage charge-off and deficiency collections	\$ 2,313	\$ 2,195
Deferred revenue	1,505	285
Other	2,395	568
	<u>\$ 6,213</u>	<u>\$ 3,048</u>

Mortgage collections relate to our Financial Services segment and represent amounts that we collected from debtors but have not yet remitted to the account owners or related trusts.

**NOTE 12 EMPLOYEE COMPENSATION**

Ocwen maintains a defined contribution plan to provide post retirement benefits to its eligible employees. Ocwen also maintains additional compensation plans for certain of its employees. These plans were designed to facilitate a pay-for-performance policy, further align the interests of our officers and key employees with the interests of our shareholders and assist in attracting and retaining employees vital to our long-term success. Some of Altisource's employees participate in these plans which are summarized below.

***Retirement Plan***

Some of our eligible employees currently participate in an Ocwen defined contribution 401(k) plan. Ocwen matches 50% of each employee's contributions, limited to 2% of the employee's compensation which is reflected in our results of operations. Some of our NCI employees currently participate in an NCI defined contribution 401(k) plan under which NCI may make matching contributions equal to a discretionary percentage determined by NCI. We recorded an expense of \$159, \$184 and \$180 for the years ended December 31, 2008, 2007 and 2006, respectively relating to the participation of our employees in these plans.

***Equity-based compensation:***

A number of our employees participate in Ocwen's equity-based compensation plans, generally consisting of restricted stock and options to purchase shares of Ocwen common stock (together, the "stock awards").

At the Separation Date, all holders of Ocwen stock awards, including our employees and those who will remain with Ocwen after the Separation, will receive the following:

- a new Altisource stock award (issued by Altisource) to acquire the number of shares of Altisource common stock equal to the product of (a) the number of Ocwen stock awards held on the Separation Date and (b) the distribution ratio of one share of Altisource common stock for every three shares of Ocwen common stock; and
- an adjusted Ocwen award for the same number of shares of Ocwen common stock with a reduced exercise price for stock option awards.

Ocwen issued all of the stock awards currently outstanding from plans containing anti-dilution provisions that require Ocwen to adjust the award terms in an equitable and proportionate manner. Our objective is to maintain the same intrinsic value of the stock awards both before and after the Separation and therefore do not expect to record incremental compensation expense as a result of these adjustments. We will not change the vesting status of the Ocwen stock awards and will issue the new Altisource awards with terms identical to those of the related Ocwen stock awards.

**ALTISOURCE PORTFOLIO SOLUTIONS S.À.R.L.**  
**(to be converted into ALTISOURCE PORTFOLIO SOLUTIONS S.A. in connection**  
**with the transactions described herein)**

**NOTES TO COMBINED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)**

After the changes to stock awards are completed, employees of both Ocwen and Altisource will hold stock awards in both companies. Each company will record compensation expense for the stock awards held by its employees even though some of the awards relate to the common stock of the other company.

The following tables summarize the number of Ocwen stock options held by our employees at December 31, 2008:

	2008	
	Number of Options	Weighted Average Exercise Price
Outstanding at beginning of year	480,446	\$ 8.69
Granted	1,755,000	8.00
Exercised	—	—
Forfeited	—	—
Outstanding at end of year	<u>2,235,446</u>	8.15
Exercisable at end of year	<u>415,872</u>	8.45

  

Award Year	Options Outstanding			Options Exercisable		
	Exercise Price Range	Number	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life	Number	Weighted Average Exercise Price
2008(a)	\$8.00	1,316,250	\$ 8.00	10	—	\$ —
2008	8.00	438,750	8.00	10	—	—
2006	11.88	65,548	11.88	8	39,328	11.88
2005	9.64	67,261	9.64	7	40,357	9.64
2004	4.92 - 8.04	67,254	7.58	6	55,804	7.48
2003	6.18 - 10.73	43,367	9.82	5	43,367	9.82
2002	1.87 - 2.81	40,221	2.60	4	40,221	2.60
2001	5.79 - 12.55	138,041	9.96	3	138,041	9.96
2000	4.09 - 7.40	45,706	5.10	2	45,706	5.10
1999	6.25	9,855	6.25	1	9,855	6.25
1998	12.31	3,193	12.31	(b)	3,193	12.31
		<u>2,235,446</u>			<u>415,872</u>	

(a) These options contain market-based components as described below. All other options are time-based awards.

(b) These options expired without being exercised on January 31, 2009.

The contractual term of all options granted is ten years from the grant date, except where employment terminates by reason of retirement, in which case the option will terminate no later than three years after such retirement or the end of the option term, whichever is earlier. Compensation expense related to options is measured based on the grant-date fair value of the options using either the Black-Scholes option-pricing model or a lattice (binomial) model as appropriate based on the vesting condition of the award. These models incorporate various and highly subjective assumptions, including expected option life and expected volatility. Ocwen estimated the



**ALTISOURCE PORTFOLIO SOLUTIONS S.À.R.L.**  
**(to be converted into ALTISOURCE PORTFOLIO SOLUTIONS S.A. in connection**  
**with the transactions described herein)**

**NOTES TO COMBINED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)**

expected stock price volatility based on the implied volatility evidenced within its publicly traded convertible debt and traded options on Ocwen's common stock.

Included in compensation expense for the years ended December 31, 2008, 2007 and 2006 was \$291, \$365 and \$139, respectively, related to stock options. Excluding the market-based options described below, the net aggregate intrinsic value of stock options outstanding and stock options exercisable at December 31, 2008 was \$660 and \$304, respectively. The weighted average remaining contractual term of options outstanding and options exercisable at December 31, 2008 was 8 years and 5 years, respectively. As of December 31, 2008, unrecognized compensation costs related to non-vested stock options amounted to \$1,296, which we will recognize over a weighted-average remaining requisite service period of approximately 3.4 years.

An incentive plan limited to senior executives was awarded by Ocwen in 2008. These options have an exercise price of \$8.00 per share which was approximately 40% higher than the closing price of Ocwen's stock on the day of the approval by the Ocwen Compensation Committee. The vesting schedule for the options has a time-based component, in which 25% of the options vest in equal increments over four years, and a market-based component, in which up to 75% of the options could vest in equal increments over four years commencing upon the achievement of certain performance criteria related to Ocwen's stock price and the annualized rate of return to investors. Two-thirds of the market-based options would begin to vest over four years if the stock price realizes a compounded annual gain of at least 20% over the exercise price so long as the stock price is at least double the exercise price. The remaining third of the market-based options would begin to vest over four years if the stock price realizes a 25% gain so long as it is at least triple the exercise price. The fair value of the time-based options was determined using the Black-Scholes options pricing model, while a lattice (binomial) model was used to determine the fair value of the market-based options awarded in 2008 using the following assumptions as of the grant date:

	Black-Scholes		Binomial 2008
	2008	2006	
Risk-free interest rate	3.48%	4.78%	2.15 - 4.28%
Expected stock price volatility	38.0%	33.0%	38.0 - 46.0%
Expected dividend yield	—	—	—
Expected option life (in years)	5	5	—
Contractual life (in years)	—	—	10
Fair value	\$ 1.01	\$ 6.25	\$0.87 and \$0.65

No options were granted in 2007.

In addition to stock options, restricted common stock awards have been made. These awards were granted at no cost to the employee and vest ratably over a three-year period including the award year. The shares are issued to the employee upon vesting. No grants were made for the 2008 and 2007 service years; however, during 2007 shares were awarded to compensate employees for the loss in fair value from the exchange of stock options that were noncompliant under IRC section 409A. At December 31, 2008, a total of 10,088 shares were unvested. Included in this amount were 5,603 shares relating to the IRC section 409A remediation which vest through 2010. The fair value of these stock awards is recognized as compensation expense ratably over the vesting period. Included in compensation expense for 2008, 2007 and 2006 was \$70, \$197 and \$97, respectively, relating to these stock awards.

In connection with the Separation, Altisource plans to implement an Altisource Annual Incentive Plan under which new shares of Altisource common stock may be issued. The Plan will allow the Company, under the direction of the Board of Directors' Compensation Committee, to make grants of performance shares, stock appreciation rights, stock options and stock awards to employees, officers and non-employee directors of the Company. We anticipate that the terms of the Plan generally will be the same as the current Ocwen Annual Incentive Plan.

**ALTISOURCE PORTFOLIO SOLUTIONS S.À.R.L.**  
**(to be converted into ALTISOURCE PORTFOLIO SOLUTIONS S.A. in connection**  
**with the transactions described herein)**

**NOTES TO COMBINED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)**

**NOTE 13 LINE OF CREDIT AND OTHER SECURED BORROWINGS**

Our debt consisted of the following at December 31:

Description	Unused Borrowing Capacity	Balance at December 31,	
		2008	2007
Line of credit maturing July 2011	\$ 3,202	\$ 1,123	\$ —
Senior notes maturing January 2008	—	—	147
	<u>\$ 3,202</u>	<u>1,123</u>	<u>147</u>
Current portion of line of credit and other secured borrowings		1,123	147
Long-term portion		<u>\$ —</u>	<u>\$ —</u>

In July 2008, NCI entered into a revolving secured credit agreement with a financial institution that provides for borrowings of up to \$10,000 through July 2011. Interest on the borrowings is based on either a rate of LIBOR plus two percent that is fixed for a period of 1, 3, 6 or 12 months, or a floating rate based on the prime rate less one percent, all as elected by NCI when the borrowing is made. All borrowings outstanding on December 31, 2008 were floating rate advances with an interest rate of 2.25%. Substantially all of NCI's assets, which comprise substantially all of the assets in our Financial Services segment, are pledged as collateral for this credit agreement. These borrowings are limited to 85% of eligible accounts receivable, as defined in the agreement. At December 31, 2008 we had \$4,325 available for borrowing under this line based on these limitations. The agreement contains financial covenants that reset annually and that require minimum adjusted pre-tax income levels for NCI as defined in the agreement that primarily require NCI to maintain a positive adjusted pre-tax income. We are in compliance with all financial covenants.

In February 2009, we amended the agreement to make favorable modifications to the financial covenants for 2009 and agreed to increase the interest rate on the floating rate advances to prime plus 1.25%.

At December 31, 2007, short-term debt consisted of \$147 of 10.25% Senior Notes due in 2008 (the "Senior Notes"). Interest on the notes was \$1 and \$9 for the fiscal year period ended December 31, 2008 and June 6, 2007 to December 31, 2007, respectively. On January 15, 2008 we repaid the Senior Notes and related accrued interest in full.

As part of the NCI acquisition, NCI obtained \$27,500 in long-term bank debt ("Original Debt"). Ocwen repaid the Original Debt in September 2007 and created an intercompany receivable due from NCI. Consistent with the treatment of other payables due to and from Ocwen, we reflect this amount as a component of invested equity.

**NOTE 14 INCOME TAXES**

The Company is included in the U.S. consolidated federal income tax return filed by Ocwen and is a party to a tax sharing agreement by and among Ocwen and its subsidiaries. In accordance with this agreement, federal income taxes are allocated as if they had been calculated on a separate company basis except that benefits for any net operating losses will be provided to the extent such loss is utilized in the consolidated federal tax return. As such, the consolidated tax provision is an aggregation of the allocation of taxes to the separate Company subsidiaries. The Company is no longer subject to income tax examinations by federal authorities for tax years prior to 2005.

**ALTISOURCE PORTFOLIO SOLUTIONS S.À.R.L.**  
**(to be converted into ALTISOURCE PORTFOLIO SOLUTIONS S.A. in connection**  
**with the transactions described herein)**

**NOTES TO COMBINED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)**

The components of the provision for income taxes for the years ended December 31 were as follows:

	<u>2008</u>	<u>2007</u>	<u>2006</u>
<b>Current:</b>			
Domestic (Luxembourg)	\$ 4	\$ 401	\$ 371
Foreign — U.S. federal	202	1,567	—
Foreign — U.S. state	(379)	(89)	33
Foreign — Non-U.S.	736	133	27
	<u>563</u>	<u>2,012</u>	<u>431</u>
<b>Deferred:</b>			
Domestic (Luxembourg)	—	—	—
Foreign — U.S. federal	(102)	(664)	1,122
Foreign — U.S. state	1,299	136	63
Foreign — Non-U.S.	—	(1,056)	—
	<u>1,197</u>	<u>(1,584)</u>	<u>1,185</u>
Benefit applied to reduce goodwill	3,622	1,136	—
Total	<u>\$ 5,382</u>	<u>\$ 1,564</u>	<u>\$ 1,616</u>

**ALTISOURCE PORTFOLIO SOLUTIONS S.À.R.L.**  
**(to be converted into ALTISOURCE PORTFOLIO SOLUTIONS S.A. in connection**  
**with the transactions described herein)**

**NOTES TO COMBINED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)**

Deferred taxes resulted from temporary differences between the amounts reported in the consolidated financial statements and the tax basis of assets and liabilities. The tax effects of temporary differences at December 31, 2008 and 2007 were as follows:

	<u>2008</u>	<u>2007</u>
<b>Current deferred tax assets:</b>		
Allowance for doubtful accounts and other reserves	\$ 349	\$ 596
Accrued expenses	561	1,211
<b>Current deferred tax liabilities:</b>		
Prepaid expenses	(642)	(804)
Current deferred tax asset, net	268	1,003
<b>Non-current deferred tax assets:</b>		
Net operating loss carryforwards — U.S. federal	6,908	7,347
Net operating loss carryforwards — U.S. states	1,964	651
Depreciation	1,684	2,419
Non-U.S. deferred tax asset	1,056	1,056
Other	103	175
<b>Non-current deferred tax liabilities:</b>		
Intangible assets	(11,986)	(12,842)
Restricted stock	(474)	(474)
Other	(63)	—
	(808)	(1,668)
Valuation allowances	(1,862)	(540)
Non-current deferred tax liability, net	(2,670)	(2,208)
Net deferred tax liability	<u>\$ (2,402)</u>	<u>\$ (1,205)</u>

We conduct periodic evaluations of positive and negative evidence to determine whether it is more likely than not that the deferred tax asset can be realized in future periods. Among the factors considered in this evaluation are estimates of future taxable income, future reversals of temporary differences, tax character and the impact of tax planning strategies that can be implemented if warranted. As a result of this evaluation, we included in the tax provision an increase of \$1,322 to the valuation allowance for 2008 related to certain state net operating losses that we no longer consider to be more likely than not to be realized in future periods. These net operating losses relate to NCI, and we have lowered our expectations regarding NCI's future profitability for its operations in these states.

As of December 31, 2008, the Company had a deferred tax asset of approximately \$6,908 relating to U.S. federal net operating losses. The gross amount of net operating losses available for carryover to future years approximates \$19,740. These losses relate to NCI for periods prior to our acquisition and are subject to Section 382 of the Internal Revenue Code which limits their use to approximately \$1,251 per year. These losses are scheduled to expire between the years 2022 and 2028.

**ALTISOURCE PORTFOLIO SOLUTIONS S.À.R.L.**  
**(to be converted into ALTISOURCE PORTFOLIO SOLUTIONS S.A. in connection**  
**with the transactions described herein)**

**NOTES TO COMBINED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)**

Income tax expense differs from the amounts computed by applying the Luxembourg federal corporate income tax rate of 29.63% as follows for the years ended December 31:

	Years Ended December 31,		
	2008	2007	2006
Tax at statutory rate	\$ 4,326	\$ 2,453	\$ 2,081
Differential of tax rates in non-Luxembourg jurisdictions	1,600	(69)	498
Valuation allowances	1,322	146	—
Indefinite deferral on earnings of non-U.S. affiliates	(1,866)	(966)	(963)
Income tax expense	<u>\$ 5,382</u>	<u>\$ 1,564</u>	<u>\$ 1,616</u>

**NOTE 15 BUSINESS SEGMENT REPORTING**

Our business segments reflect the internal reporting that we use to evaluate operating performance and to assess the allocation of resources by our chief operating decision maker. Our segments are based upon our organizational structure which focuses primarily on the products and services offered.

We conduct our operations through three reporting segments and corporate. A brief description of our business segments are as follows:

*Mortgage Services* includes due diligence, valuation, real estate sales, default processing services, property inspection and preservation services, homeowner outreach, closing and title services and knowledge process outsourcing services. Mortgage Services supports mortgage originators and servicers, insurance companies, hedge funds and commercial banks. Our services span the lifecycle of a mortgage loan from origination through the disposition of real estate owned properties ("REO").

*Financial Services* provides asset recovery and customer relationship management services principally to the financial services, consumer products, telecommunications and utilities industries. We have included NCI in this segment since our acquisition of it in June 2007.

*Technology Products* consists of products and services utilized in the mortgage industry including our REAL suite of applications that provide technology products to serve the needs of servicing and origination businesses. Our offerings include commercial and residential loan servicing and loss mitigation software, vendor management and a patented vouchless payable system and information technology solutions to manage and oversee payments to large-scale vendor networks.

*Corporate Items and Other.* For the three years in the period ended December 31, 2008, we have included only intercompany eliminations in Corporate Items and Other. Ocwen allocated interest income and expense to each business segment for funds raised or funding of investments made. Ocwen also allocated expenses generated by corporate support services to each business segment.

**ALTISOURCE PORTFOLIO SOLUTIONS S.À.R.L.**  
 (to be converted into ALTISOURCE PORTFOLIO SOLUTIONS S.A. in connection  
 with the transactions described herein)

**NOTES TO COMBINED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)**

	Mortgage Services	Financial Services(2)	Technology Products	Corporate Items and Other	Business Segments Consolidated
<b>At or for the year ended:</b>					
<b>December 31, 2008</b>					
Revenue(1)	\$ 54,956	\$ 73,835	\$ 45,283	\$ (13,711)	\$ 160,363
Cost of revenue	36,392	62,590	29,777	(13,711)	115,048
Gross profit	18,564	11,245	15,506	—	45,315
Selling, general and administrative expenses	5,027	17,168	6,118	(225)	28,088
Income (loss) from operations	13,537	(5,923)	9,388	225	17,227
Other income (expense), net	(58)	(1,952)	(391)	(225)	(2,626)
Income (loss) before income taxes	\$ 13,479	\$ (7,875)	\$ 8,997	\$ —	\$ 14,601
Depreciation and amortization	\$ 34	\$ 3,202	\$ 4,600	\$ —	\$ 7,836
Amortization of intangibles	\$ —	\$ 2,554	\$ —	\$ —	\$ 2,554
Revenues from related parties	\$ 41,635	\$ 1,181	\$ 35,146	\$ (13,711)	\$ 64,251
Total assets(3)	\$ 3,361	\$ 59,744	\$ 8,836	\$ 4,734	\$ 76,675
Line of credit and other secured borrowings	\$ —	\$ 1,123	\$ —	\$ —	\$ 1,123
<b>December 31, 2007</b>					
Revenue(1)	\$ 64,260	\$ 41,293	\$ 36,235	\$ (6,882)	\$ 134,906
Cost of revenue	44,158	32,324	27,354	(6,882)	96,954
Gross profit	20,102	8,969	8,881	—	37,952
Selling, general and administrative expenses	7,876	14,787	6,359	(1,092)	27,930
Income (loss) from operations	12,226	(5,818)	2,522	1,092	10,022
Other income (expense), net	(90)	(1,269)	708	(1,092)	(1,743)
Income (loss) before income taxes	\$ 12,136	\$ (7,087)	\$ 3,230	\$ —	\$ 8,279
Depreciation and amortization	\$ 292	\$ 980	\$ 5,707	\$ —	\$ 6,979
Amortization of intangibles	\$ —	\$ 1,555	\$ —	\$ —	\$ 1,555
Revenues from related parties	\$ 40,646	\$ 1,044	\$ 24,542	\$ (6,882)	\$ 59,350
Total assets	\$ 10,717	\$ 65,397	\$ 12,037	\$ 4,694	\$ 92,845
<b>December 31, 2006</b>					
Revenue(1)	\$ 59,729	\$ 7,666	\$ 34,630	\$ (5,422)	\$ 96,603
Cost of revenue	43,807	5,219	28,559	(5,422)	72,163
Gross profit	15,922	2,447	6,071	—	24,440
Selling, general and administrative expenses	8,294	3,173	7,027	(872)	17,622
Income (loss) from operations	7,628	(726)	(956)	872	6,818
Other income (expense), net	(34)	340	771	(872)	205
Income (loss) before income taxes	\$ 7,594	\$ (386)	\$ (185)	\$ —	\$ 7,023
Depreciation and amortization	\$ 369	\$ 80	\$ 9,236	\$ —	\$ 9,685
Amortization of intangibles	\$ —	\$ —	\$ —	\$ —	\$ —
Revenues from related parties	\$ 31,301	\$ 2,070	\$ 24,022	\$ (5,422)	\$ 51,971
Total assets	\$ 7,608	\$ 560	\$ 14,035	\$ 2	\$ 22,205

(1) Intercompany transactions primarily consist of IT infrastructure services and charges for the use of certain REAL products from our Technology Products segment to our other two segments. Generally, we reflect these

**ALTISOURCE PORTFOLIO SOLUTIONS S.À.R.L.**  
**(to be converted into ALTISOURCE PORTFOLIO SOLUTIONS S.A. in connection**  
**with the transactions described herein)**

**NOTES TO COMBINED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)**

charges within technology and communication in the segment receiving the services, except for consulting services, which we reflect in professional services.

- (2) Includes depreciation and amortization of \$2,787 in 2008 and \$379 in 2007 for assets reflected in the Technology Products segment.
- (3) Includes premises and equipment, net of \$1,152 that are located in India.

**NOTE 16 COMMITMENTS AND CONTINGENCIES**

***Litigation***

We have filed suit against a former equipment vendor seeking revocation of acceptance of the equipment and damages for breaches of implied warranties and related torts. Separately, we are party to a pending arbitration brought by the vendor seeking payment of annual support and maintenance fees for periods subsequent to when we returned the equipment to the vendor. The vendor also is requesting payment of discounts it provided to us purportedly to be a marketing partner for the vendor. In total, the former vendor is seeking damages of approximately \$3,100. We believe that the vendor's claims against us are without merit and intend to defend vigorously against this matter while at the same time pursue our claims against this vendor.

Altisource is subject to various other pending legal proceedings. In our opinion, the resolution of those proceedings will not have a material effect on our financial condition, results of operations or cash flows.

***Taxation***

We intend for the Distribution to be a tax-free transaction under Section 355 of the Code. However, Ocwen will recognize, and pay tax on, substantially all the gain it has in the assets that comprise Altisource as a result of the Restructuring. If the Distribution were not to qualify as a tax-free transaction, Ocwen may not recognize substantial taxable gain because most, if not all, of such gain would already have been recognized pursuant to the Restructuring of Altisource. Altisource has agreed to indemnify Ocwen for certain tax liabilities. As of December 31, 2008, the company does not believe it has an indemnity obligation.

**NOTE 17 SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION**

	For the Years Ended December 31,		
	2008	2007	2006
<b>Supplemental disclosure of cash flow information</b>			
Cash paid during the year for			
Interest	\$ 121	\$ 750	\$ —
Income taxes	26	—	—
<b>Supplemental schedule of non-cash investing and financing activities</b>			
Reduction in income tax payable from tax amortizable goodwill transferred to Parent	\$ 3,622	\$ 1,136	\$ —

See Note 5 for information regarding assets acquired and liabilities assumed in business acquisition activity.

**ALTISOURCE PORTFOLIO SOLUTIONS S.À.R.L.**  
**(to be converted into ALTISOURCE PORTFOLIO SOLUTIONS S.A. in connection**  
**with the transactions described herein)**

**NOTES TO COMBINED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)**

**NOTE 18      QUARTERLY RESULTS OF OPERATIONS (UNAUDITED)**

	Quarters Ended			
	December 31, 2008	September 30, 2008	June 30, 2008	March 31, 2008
Revenue	\$ 38,940	\$ 38,007	\$ 40,868	\$ 42,548
Gross profit	12,530	9,078	10,835	12,872
Income before income taxes	5,043	1,310	3,424	4,824
Net income	2,344	942	2,463	3,470

  

	December 31, 2007	September 30, 2007	June 30, 2007	March 31, 2007
	Revenue	\$ 41,533	\$ 40,503	\$ 29,103
Gross profit	10,630	11,426	8,534	7,362
Income before income taxes	1,436	954	2,488	3,401
Net income	1,318	752	1,962	2,683

**NOTE 19      SUBSEQUENT EVENT**

On June 23, 2009 the Company terminated the line of credit maturing July 2011. There were no borrowings outstanding on the line of credit at the time of termination or since the Company repaid the balance in full in January 2009.

On June 5, 2009, the Company completed the conversion of Altisource Portfolio Solutions S.à r.l. into a Luxembourg société anonyme, Altisource Portfolio Solutions S.A. This conversion has no impact on the financial statements as it reflects only a change from a private limited liability company to a public limited company with no other changes to its operations or its capital structure.



**Report of Independent Auditors**

To the Board of Directors and Stockholder  
Nationwide Credit, Inc. and Subsidiary

In our opinion, the accompanying consolidated statements of operations and cash flows present fairly, in all material respects, the net loss and other data shown therein and cash flows of Nationwide Credit, Inc. and its subsidiary for the period from January 1, 2007 to June 5, 2007, in conformity with accounting principles generally accepted in the United States of America. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit of these statements in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audit of the statements of operations and cash flows provides a reasonable basis for our opinion.

/s/ PricewaterhouseCoopers LLP

Atlanta, Georgia  
April 14, 2009

**Nationwide Credit, Inc. and Subsidiary**  
**Consolidated Statement of Operations**  
**Period From January 1, 2007 to June 5, 2007**

	(In thousands of dollars)
<b>Revenues</b>	\$ 30,741
<b>Expenses</b>	
Salaries and benefits	18,314
Telecommunication	1,021
Occupancy	1,403
Other operating and administrative	12,019
Depreciation and amortization	886
Total expenses	<u>33,643</u>
Operating loss	(2,902)
Interest expense	<u>1,531</u>
Loss before income taxes	(4,433)
Income tax expense	25
Net loss	<u>\$ (4,458)</u>

The accompanying notes are an integral part of these consolidated financial statements.

**Nationwide Credit, Inc. and Subsidiary**  
**Consolidated Statement of Cash Flows**  
**Period From January 1, 2007 to June 5, 2007**

(In thousands of dollars)

<b>Cash flows from operating activities</b>	
Net loss	\$ (4,458)
Adjustments to reconcile net loss to net cash used in operating activities	
Depreciation and amortization	886
Loss on disposal of fixed assets	4
Amortization of deferred financing costs	28
Changes in operating assets and liabilities	
Accounts receivable	2,507
Prepaid expenses and other assets	(1,036)
Accrued compensation	420
Accounts payable and accrued liabilities	332
Net cash used in operating activities	(1,317)
<b>Cash flows from investing activities</b>	
Purchases of property and equipment	(921)
Net cash used in investing activities	(921)
<b>Cash flows from financing activities</b>	
Proceeds from short-term debt	265
Repayment of short-term debt	(58)
Borrowings from revolving credit facility	40,005
Payments of revolving credit facility	(36,333)
Principal payments on capital leases	(174)
Net cash provided by financing activities	3,705
Increase in cash and cash equivalents	1,467
<b>Cash and cash equivalents</b>	
Beginning of period	2,972
End of period	\$ 4,439
<b>Supplemental disclosure of cash flow activity</b>	
Cash paid for interest	\$ 1,764
Cash paid for income taxes	191

The accompanying notes are an integral part of these consolidated financial statements.

**Nationwide Credit, Inc. and Subsidiary**  
**Notes to Consolidated Financial Statements**

**1. Description of Business and Basis of Presentation**

***Description of Business***

Nationwide Credit, Inc. (the "Company") is a provider of contingent fee collection services in the United States of America and offers contingent fee collection services to consumer credit grantors. The Company utilizes management information systems to leverage its experience with locating, contacting, and effecting payment from delinquent account holders.

In addition to traditional contingent fee collection services, the Company has developed precharge-off collection programs. In these programs, the Company receives accounts from credit grantors before charge-off and earns a fixed fee per account rather than a percentage of realized collections. The Company offers credit grantors a variety of precharge-off outsourcing options, including (i) staff augmentation, (ii) inbound and outbound calling programs, (iii) skiptracing, and (iv) total outsourcing. Account follow-up is an extension of the client's existing procedures utilizing customer service collection personnel to collect balances of delinquent accounts.

The Company, a Georgia corporation, is a wholly owned subsidiary of NCI Holdings, Inc. ("Holdings"), a Delaware corporation. Holdings has no operations, assets or liabilities other than its ownership of the Company. Nationwide Inflection, LLC ("Inflection") owns a majority of the outstanding stock and warrants of Holdings. Inflection is more than two thirds owned by Bayshore Collections Services, Inc. and its affiliates.

On June 6, 2007, Holdings was acquired by Ocwen Financial Corporation ("Ocwen") for \$56,980 in cash, including \$2,000 of working capital adjustments (the "Acquisition").

**2. Summary of Significant Accounting Policies**

***Principles of Consolidation***

The consolidated financial statements include the accounts of the Company and its wholly owned subsidiary, the Master Collectors of Dallas, Inc., a Texas corporation. All intercompany accounts and transactions have been eliminated in consolidation.

***Cash and Cash Held for Clients***

The Company considers all highly liquid investments with maturities of three months or less when purchased to be cash equivalents. Cash held for clients represents collections not yet remitted.

***Property and Equipment***

Property and equipment are recorded at cost or estimated fair value at acquisition less accumulated depreciation. Depreciation expense is calculated over the estimated useful lives of the related assets (three to five years) using the straight-line method for financial reporting purposes. Major renewals and improvements are capitalized, while maintenance and repairs are expensed when incurred. Gains and losses resulting from sales or retirements are recognized at the time of disposition along with the removal of cost and accumulated depreciation. Leasehold improvements are amortized over the shorter of the term of the underlying lease or their estimated useful life.

***Goodwill and Intangible Assets***

In accordance with the provisions of Statement of Financial Accounting Standards ("SFAS") No. 142, *Goodwill and Other Intangible Assets*, goodwill will not be amortized but rather will be tested at least annually or when events and circumstances occur that may indicate impairment. Intangible assets are stated at cost or estimated fair value upon acquisition less accumulated amortization. Amortization of intangible assets reflects the pattern in which the economic benefits of the asset will be consumed or realized. Intangible assets with finite lives are amortized over their estimated useful lives of 30 months to 10 years.

**Nationwide Credit, Inc. and Subsidiary**  
**Notes to Consolidated Financial Statements — (Continued)**

**Revenue Recognition**

The Company generates the majority of its revenue from contingency fees that are calculated as a percentage of debtor collections. The Company records unremitted cash collected on behalf of customers in connection with this activity as “Cash held for clients” and as an offsetting liability, “Collections due to clients.” Revenue is recognized upon collection of funds on behalf of clients. Revenues that are not contingency fee-based are recognized as the services are performed. Revenues are adjusted for the effect of checks remitted by debtors that are returned for insufficient funds.

**Income Taxes**

The Company accounts for income taxes under the liability method required by SFAS No. 109, Accounting for Income Taxes, whereby deferred income taxes reflect the net tax effects of temporary differences between the tax bases of assets and liabilities and their related amounts in the financial statements.

Deferred income taxes relate primarily to identify intangible assets where the basis for tax purposes is less than the carrying amount for financial statement purposes.

**Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**3. Accrued Executive Bonus**

In connection with the Acquisition, the Company incurred \$3,643 of charges related to executive bonuses. These bonuses were an expense of the Company prior to the Acquisition and are included in other operating and administrative expenses in the accompanying consolidated statement of operations.

**4. Short-term and Long-term Debt**

Short-term debt at June 5, 2007 consisted of \$147 of 10.25% Senior Notes due 2008 and \$207 for financing insurance premiums. Interest on the notes was \$6 for the period January 1, 2007 to June 5, 2007. The Company also had uncollateralized, fixed interest rate agreements for financing insurance premiums. Interest expense on the uncollateralized obligations was \$2 for the period January 1, 2007 to June 5, 2007.

Effective December 21, 2006, the Company amended its 2003 Credit Agreement (the “Amended Agreement”). Under the new terms of the Amended Agreement, the Company can borrow up to \$14.0 million for operational activities (the “Operating Facility”) and up to \$5.0 million for specific customer related activities (the “Customer Facility”). The Amended Agreement is collateralized by substantially all of the Company’s assets. The Company deferred approximately \$566 of fees relating to this amendment, of which approximately \$27 was amortized during the period January 1, 2007 to June 5, 2007.

The Operating Facility bears interest which is payable monthly at the Eurodollar rate plus 2.25% (7.57% at June 5, 2007) The Customer Facility bears interest is payable monthly at an interest rate equal to the base rate plus 2.25% (7.57% at June 5, 2007). Interest expense was \$44 and \$67 for the period January 1, 2007 to June 5, 2007 for the Operating Facility and Customer Facility, respectively.

The Company had \$7.0 million outstanding of Subordinated Notes payable to Inflection. The Subordinated Notes mature in full on August 5, 2012 and bear interest payable semi-annually on June 1 and December 1 at the rate of 16.0% per annum. Interest expense was \$467 for the period January 1, 2007 to June 5, 2007.

**Nationwide Credit, Inc. and Subsidiary**  
**Notes to Consolidated Financial Statements — (Continued)**

The Company has a \$17,813 Term Loan which matures in full on August 5, 2012. Interest is payable monthly at the Company's option of either (a) the Eurodollar rate plus 5.75% or (b) the base rate plus 4.75%. At June 5, 2007 the interest rate on the Term Loan was 11.07% and interest expense was \$852 for the period January 1, 2007 to June 5, 2007. Inflection currently holds the outstanding balance of the Term Loan and receives all interest payments.

The Amended Agreement requires the Company to maintain certain financial covenants and limits the Company's ability to incur additional debt, to pay dividends, and to make acquisitions. The Amended Agreement also provides for a first priority lien on substantially all properties and assets of the Company and its direct and indirect subsidiaries.

The Operating Facility, Customer Facility, Subordinated Notes and Term Loan were all paid in full upon the Acquisition.

**5. Significant Customers and Concentrations of Credit Risk**

The Company operates primarily in the accounts receivable management business. It receives placements from a number of different industry groups on both a pre- and post charge-off basis.

The Company derives a significant portion of its revenue from American Express totaling 51% of revenue for the period January 1, 2007 to June 5, 2007. No other single customer accounted for more than 10% of revenue for the period January 1, 2007 to June 5, 2007.

**6. Leases**

The Company leases facilities and equipment under both capital leases and operating leases. These lease agreements expire between 2009 and 2014, and most of the facility lease agreements contain renewal options. Future minimum lease payments under capital leases and operating leases, together with the present value of the net minimum capital lease payments at June 5, 2007, are as follows:

	Capital Leases	Operating Leases
	(In thousands of dollars)	
2007	\$ 251	\$ 1,401
2008	460	2,520
2009	460	2,202
2010	251	1,361
2011	11	469
Later years through 2014	—	469
Total minimum lease payments	1,433	\$ 8,422
Less: Amounts representing interest	(213)	
Present value of net minimum lease payments	1,220	
Less: Current portion	451	
	<u>\$ 769</u>	

Rent expense for operating leases was \$1,275 for the period January 1, 2007 to June 5, 2007.

**Nationwide Credit, Inc. and Subsidiary**  
**Notes to Consolidated Financial Statements — (Continued)**

**7. Income Taxes**

The provision for income taxes for the period January 1, 2007 to June 5, 2007 includes the following:

(In thousands of dollars)	
Current expense	
Foreign	\$ 25
Total current expense	25
Deferred expense	
Federal	1,581
State	263
Foreign	—
Total deferred expense	1,844
Valuation allowance	(1,844)
Income tax expense	\$ 25

A reconciliation between reported income tax expense from continuing operations and the amount computed by applying the statutory federal income tax rate of 35% is as follows at June 5, 2007:

Computed tax benefit	\$ (1,551)
State taxes	(171)
Change in valuation allowance	1,844
Permanent differences and other	(97)
	\$ 25

The Company has net operating loss carryforwards available to offset future taxable income of approximately \$22,252 at June 5, 2007. These carryforwards expire at various dates through 2026. A valuation allowance has been provided given the Company's history of operating losses, as the realization of the deferred tax assets is not more likely than not to occur.

**8. Retirement Plans**

The Company has an incentive savings plan that allows eligible employees to contribute a percentage of their compensation and provide for certain matching and other contributions. The matching contributions associated with the plan were \$40 for the period January 1, 2007 to June 5, 2007.

**9. Related-Party Transactions**

The Company is required to pay interest to Inflection under the terms of the \$17,813 Term Loan and the \$7,000 Subordinated Notes as 100% of these loans are held by Inflection. The Company paid \$1,562 in interest to Inflection for the period January 1, 2007 to June 5, 2007.

**10. Commitments and Contingencies**

The Company is involved in litigation arising in the ordinary course of business. In the opinion of management, the ultimate resolution of these matters will not have a material adverse effect on the Company's financial position or results of operations.

Standby letters of credit are issued to certain suppliers to guarantee the Company's payment for purchases under favorable trade terms and to guarantee the Company's potential surety bond obligations.

**Report of Independent Auditors**

To the Board of Directors and Stockholder  
Nationwide Credit, Inc. and Subsidiary

In our opinion, the accompanying consolidated balance sheet and the related consolidated statements of operations, stockholder's deficit, and cash flows present fairly, in all material respects, the financial position of Nationwide Credit, Inc. and its subsidiary at December 31, 2006, and the results of their operations and their cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit of these statements in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

/s/ PricewaterhouseCoopers LLP

Atlanta, Georgia  
March 19, 2007



**Nationwide Credit, Inc. and Subsidiary**  
**Consolidated Balance Sheet**  
**December 31, 2006**

		2006
		(In thousands of dollars)
<b>ASSETS</b>		
Current assets		
Cash and cash equivalents	\$	2,972
Cash held for clients		386
Accounts receivable, net of allowance of \$516		6,795
Prepaid expenses and other current assets		1,691
Total current assets		11,844
Property and equipment, net of accumulated depreciation of \$8,473		5,044
Goodwill		11,703
Intangible assets, net of accumulated amortization of \$1,948		217
Deferred financing costs, net of accumulated amortization of \$1,675		353
Other assets		44
Total assets	\$	29,205
<b>LIABILITIES AND STOCKHOLDER'S DEFICIT</b>		
Current liabilities		
Collections due to clients	\$	386
Accrued compensation		2,606
Accounts payable		2,419
Accrued severance and office closure costs		1,670
Other accrued liabilities		3,414
Current portion of capital leases		376
Total current liabilities		10,871
Capital lease obligations, less current portion		1,021
Long-term debt		27,473
Total liabilities		39,365
Commitments and Contingencies (Note 10)		
Stockholder's deficit		
Common Stock, no par value; 10,000 shares authorized, 1,000 shares issued and outstanding		25,667
Accumulated deficit		(35,827)
Total stockholder's deficit		(10,160)
Total liabilities and stockholder's deficit	\$	29,205

The accompanying notes are an integral part of these consolidated financial statements.

Nationwide Credit, Inc. and Subsidiary  
Consolidated Statement of Operations  
Year Ended December 31, 2006

	<u>2006</u> <u>(In thousands</u> <u>of dollars)</u>
<b>Revenues</b>	\$ 74,090
<b>Expenses</b>	
Salaries and benefits	40,242
Telecommunication	2,212
Occupancy	4,058
Other operating and administrative	19,203
Depreciation and amortization	1,678
Gain on sale of healthcare assets	(617)
Other	305
Provision for employee severance and office closure	1,831
Total expenses	<u>68,912</u>
Operating income	5,178
Interest expense	<u>3,794</u>
Income before income taxes	1,384
Provision for income taxes	<u>124</u>
Net income	<u>\$ 1,260</u>

The accompanying notes are an integral part of these consolidated financial statements.

Nationwide Credit, Inc. and Subsidiary  
Consolidated Statement of Changes in Stockholder's Deficit  
Year Ended December 31, 2006

	Common Stock		Accumulated Deficit	Total
	Shares	Amount		
			(In thousands of dollars)	
<b>Balances at December 31, 2005</b>	1,000	\$ 25,667	\$ (37,087)	\$ (11,420)
Net income	—	—	1,260	1,260
<b>Balances at December 31, 2006</b>	<u>1,000</u>	<u>\$ 25,667</u>	<u>\$ (35,827)</u>	<u>\$ (10,160)</u>

The accompanying notes are an integral part of these consolidated financial statements.

Nationwide Credit, Inc. and Subsidiary  
 Consolidated Statement of Cash Flows  
 Year Ended December 31, 2006

	2006 (In thousands of dollars)
<b>Cash flows from operating activities</b>	
Net income	\$ 1,260
Adjustments to reconcile net income to net cash provided by operating activities:	
Gain on sale of healthcare assets	(617)
Depreciation and amortization	1,678
Amortization of deferred financing costs	496
Bad debt expense	33
Loss on disposal of assets	297
Changes in operating assets and liabilities	
Accounts receivable	2,685
Prepaid expenses and other assets	(215)
Accrued compensation	(54)
Accounts payable and other accrued liabilities	(1,791)
Net cash provided by operating activities	3,772
<b>Cash flows from investing activities</b>	
Proceeds from sale of healthcare assets	625
Purchases of property and equipment	(3,078)
Net cash used in investing activities	(2,453)
<b>Cash flows from financing activities</b>	
Proceeds from short-term debt	284
Repayment of short-term debt	(483)
Borrowings for revolving credit facility	40,385
Payments of revolving credit facility	(40,808)
Repayment of long-term debt	—
Principal payments on capital leases	(392)
Debt issuance costs	(79)
Net cash used in financing activities	(1,093)
Increase in cash and cash equivalents	226
<b>Cash and cash equivalents</b>	
Beginning of year	2,746
End of year	\$ 2,972
<b>Supplemental disclosure of cash flows activity</b>	
Cash paid for interest	\$ 3,283
Cash paid for income taxes	15
<b>Noncash investing and financing activity</b>	
Fixed asset acquired under capital lease obligations	\$ 1,163

The accompanying notes are an integral part of these consolidated financial statements.

**Nationwide Credit, Inc. and Subsidiary**  
**Notes to Consolidated Financial Statements**

**1. Description of Business and Basis of Presentation**

***Description of Business***

Nationwide Credit, Inc. (the "Company") is a provider of contingent fee collection services in the United States of America and offers contingent fee collection services to consumer credit grantors. The Company utilizes management information systems to leverage its experience with locating, contacting, and effecting payment from delinquent account holders.

In addition to traditional contingent fee collection services, the Company has developed precharge-off collection programs. In these programs, the Company receives accounts from credit grantors before charge-off and earns a fixed fee per account rather than a percentage of realized collections. The Company offers credit grantors a variety of precharge-off outsourcing options, including (i) staff augmentation, (ii) inbound and outbound calling programs, (iii) skiptracing, and (iv) total outsourcing. Account follow-up is an extension of the client's existing procedures utilizing customer service collection personnel to collect balances of delinquent accounts.

The Company, a Georgia corporation, is a wholly owned subsidiary of NCI Holdings, Inc. ("Holdings"), a Delaware corporation. Holdings has no operations, assets or liabilities other than its ownership of the Company. Nationwide Inflection, LLC ("Inflection") owns a majority of the outstanding stock and warrants of Holdings. Inflection is more than two thirds owned by Bayshore Collection Services, Inc. and its affiliates.

**2. Summary of Significant Accounting Policies**

***Principles of Consolidation***

The accompanying consolidated balance sheets include the accounts of the Company and its wholly owned subsidiary, the Master Collectors of Dallas, Inc., a Texas corporation. All intercompany accounts and transactions have been eliminated in consolidation.

***Cash and Cash Held for Clients***

The Company considers all highly liquid investments with maturities of three months or less when purchased to be cash equivalents. Cash held for clients represents collections not yet remitted.

***Property and Equipment***

Property and equipment are recorded at cost or estimated fair value at acquisition less accumulated depreciation. Depreciation expense is calculated over the estimated useful lives of the related assets (three to five years) using the straight-line method for financial reporting purposes. Major renewals and improvements are capitalized, while maintenance and repairs are expensed when incurred. Gains and losses resulting from sales or retirements are recognized at the time of disposition along with the removal of cost and accumulated depreciation. Leasehold improvements are amortized over the shorter of the term of the underlying lease or their estimated useful life.

***Goodwill and Intangible Assets***

In accordance with the provisions of Statement of Financial Accounting Standards ("SFAS") No. 142, *Goodwill and Other Intangible Assets*, goodwill will not be amortized but rather will be tested at least annually or when events and circumstances occur that may indicate impairment. Intangible assets are stated at cost or estimated fair value at acquisition less accumulated amortization. Intangible assets with finite lives are amortized over their estimated lives of 30 months to 10 years.

**Nationwide Credit, Inc. and Subsidiary**  
**Notes to Consolidated Financial Statements — (Continued)**

**Revenue Recognition**

The Company generates the majority of its revenue from contingency fees that are calculated as a percentage of debtor collections. The Company records unremitted cash collected on behalf of customers in connection with this activity as “Cash held for clients” and as an offsetting liability, “Collections due to clients.” Revenue is recognized upon collection of funds on behalf of clients. Revenues that are not contingency fee-based are recognized as the services are performed. Revenues are adjusted for the effect of checks remitted by debtors that are returned for insufficient funds (“NSF”). The reserve recorded in accounts receivable of \$516 is comprised of NSF and bad debt at December 31, 2006.

**Income Taxes**

The Company accounts for income taxes under the liability method required by SFAS No. 109, *Accounting for Income Taxes*, whereby deferred income taxes reflect the net tax effects of temporary differences between the tax bases of assets and liabilities and their related amounts in the financial statements.

Deferred income taxes relate primarily to identified intangible assets where the deduction for tax purposes will be less than the carrying amount for financial statement purposes.

**Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**3. Accrued Severance and Office Closure Costs**

The Company recorded a restructuring charge associated with the contract termination of two significant customers in 2004. As a result of the lost contracts, the Company implemented a restructuring plan which included employee severance and office closure costs of \$1,775 for the year ended December 31, 2006.

A summary of the accrued severance and office closure costs for the year ended December 31, 2006 are as follows:

	<u>Employee Severance</u>	<u>Office Closure</u>	<u>Total</u>
December 31, 2005	\$ 624	\$ 634	\$ 1,258
Provision	669	1,106	1,775
Payments	<u>(780)</u>	<u>(583)</u>	<u>(1,363)</u>
December 31, 2006	<u>\$ 513</u>	<u>\$ 1,157</u>	<u>\$ 1,670</u>

**Nationwide Credit, Inc. and Subsidiary**  
**Notes to Consolidated Financial Statements — (Continued)**

**4. Property and Equipment**

At December 31, 2006, property and equipment is as follows:

	(In thousands of dollars)
Computer equipment	\$ 8,916
Furniture and equipment	2,159
Leasehold improvements	2,442
	13,517
Accumulated depreciation	(8,473)
	\$ 5,044

Depreciation expense was approximately \$1.6 million for the year ended December 31, 2006.

Capital lease property included in property and equipment as of December 31, 2006 is as follows:

	(In thousands of dollars)
Computer equipment	\$ 1,658
Leasehold improvements	328
	1,986
Accumulated depreciation and amortization	(283)
	\$ 1,703

**5. Intangible Assets**

Intangible assets as of December 31, 2006 are as follows:

	(In thousands of dollars)
Customer relationships	\$ 1,039
Technology	1,126
	2,165
Accumulated amortization	(1,948)
	\$ 217

Customer relationships are being amortized over their estimated useful life of ten years. Technology is being amortized over an estimated useful life of thirty months. Amortization expense related to these assets was \$38 for the year ended December 31, 2006.

Estimated amortization expense for each of the five years ending December 31, 2010, is as follows:

	(In thousands of dollars)
<b>Years Ending</b>	
2007	\$ 37
2008	37
2009	37
2010	37
2011	37

**Nationwide Credit, Inc. and Subsidiary**  
**Notes to Consolidated Financial Statements — (Continued)**

**6. Short-term and Long-term Debt**

Short-term debt consisted of uncollateralized, fixed interest rate agreements for financing insurance premiums. During 2006, the Company financed an additional \$284 of insurance premiums. As of December 31, 2006, these notes were repaid in full.

**Long-term Debt**

The following table summarizes the Company's long-term debt as of December 31, 2006:

	(In thousands of dollars)
Term Loan	\$ 17,813
Subordinated Notes	7,000
Operating Facility	—
Customer Facility	2,513
10.25% Senior Notes	147
	<u>\$ 27,473</u>

Effective December 21, 2006, the Company amended its 2003 Credit Agreement (the "Amended Agreement") and under the new terms of the Amended Agreement the Company can borrow up to \$14.0 million for operational activities (the "Operating Facility") and up to \$5.0 million for specific customer related activities (the "Customer Facility"). The Company also obtained an uncommitted \$5 million facility which can be used for acquisitions. The Amended Agreement is collateralized by substantially all of the Company's assets. The Company deferred approximately \$566 of fees, of which approximately \$184 was amortized in 2006, related to the Amended Agreement, which are being amortized over the term of the Amended Agreement.

On December 31, 2006, the Company's Term Loan outstanding was \$17.8 million. The Term Loan matures in full on August 5, 2012. Interest is payable monthly at the Company's option of either (a) the Eurodollar rate plus 5.75% or (b) the base rate plus 4.75%. At December 31, 2006, the interest rate on the Term Loan was 10.60%. Inflection, which owns a controlling interest in the Company's parent, currently holds the outstanding balance of the Term Loan and receives all interest paid. The Company deferred approximately \$634 of fees, of which approximately \$162 was amortized in 2006, related to the Term Loan which is being amortized over the term of the note.

The Company had no outstanding balance on December 31, 2006 under the Operating Facility. The Operating Facility matures in full on January 1, 2012 and bears interest which is payable monthly at the Eurodollar rate plus 2.25%, (7.60% at December 31, 2006). In addition, the Company is required to pay a commitment fee of .125% on the unused portion of the Operating Facility.

Under the Customer Facility, the Company can borrow \$5.0 million at an interest rate equal to the base rate plus 2.25% (7.60% at December 31, 2006). At December 31, 2006, there was \$2.5 million outstanding on the Customer Facility. The Customer Facility expires on January 1, 2012. Borrowings under the Customer Facility must be used to make payments to certain customers of the Company to cover the float in respect of checks deposited into one or more trust funds by debtors of certain customers. Additionally, the Company is required to pay a commitment fee of .125% on the unused portion of the Customer Facility.

On December 31, 2006, the Company had \$7.0 million outstanding of Subordinated Notes to Inflection, which owns a controlling interest in the Company's parent. The Subordinated Notes mature in full on August 5, 2012 and bear interest payable semi-annually on June 1 and December 1 at the rate of 16.0% per annum. The Subordinated Notes can be prepaid in whole or in part, at the option of the Company provided that the prepayment must also include the applicable premium at the time of the prepayment. The Company deferred approximately \$766 of fees,



**Nationwide Credit, Inc. and Subsidiary**  
**Notes to Consolidated Financial Statements — (Continued)**

of which approximately \$150 was amortized in 2006, related to the subordinated notes, which are being amortized over the term of the notes.

Among other restrictions, the Amended Agreement requires the Company to maintain certain financial covenants and limits the Company's ability to incur additional debt, to pay dividends, and to make acquisitions. The Company was in compliance with its debt covenants as of December 31, 2006. The Amended Agreement also provides for a first priority lien on substantially all properties and assets of the Company and its direct and indirect subsidiaries, as well as on all the outstanding stock of the Company.

At December 31, 2006, long term debt also includes \$147 of 10.25% Senior Notes due 2008 (the "Notes"). Interest on the notes was \$15 for the years ended December 31, 2006.

Future maturities of long-term debt at December 31, 2006 are as follows:

	<small>(In thousands of dollars)</small>
2007	\$ —
2008	147
2009	—
2010	—
2011	—
Thereafter	27,326
	\$ 27,473

In connection with the Company issuing the Subordinated Notes, Holdings issued a Warrant to Inflection that allows the holder to purchase up to 68 shares or 23.3% of Holdings' common stock. The Warrant expires on November 4, 2012 and allows the holder to purchase shares at the exercise price of \$.01 per share. The Warrant requires that Holdings pay the holder the principal sum of \$.05 per share at the time of exercise and it bears interest payable at the earlier of the time of exercise or expiration at the rate of 3% per annum on the principal amount of the Warrant.

**7. Significant Customers and Concentrations of Credit Risk**

The Company operates primarily in the accounts receivable management business. It receives placements from a number of different industry groups on both a pre-and postcharge-off basis.

The Company derives a significant portion of its revenue from American Express, MCI and the U.S. Department of Education ("DOE").

The percentages of net revenue attributable to these customers are as follows for the year ended December 31, 2006:

<b>Revenue</b>	
American Express	52%
MCI	3%
DOE	15%

**Nationwide Credit, Inc. and Subsidiary**  
**Notes to Consolidated Financial Statements — (Continued)**

The balances of accounts receivable attributable to these customers as of December 31, 2006 are as follows:

	<b>(In thousands of dollars)</b>
Accounts receivable	
American Express	\$ 1,521
MCI	—
DOE	1,114

No other single customer accounted for more than 10% of the consolidated totals as of and for the year ended December 31, 2006.

**8. Leases**

The Company leases facilities and equipment under capital leases and operating leases. These lease agreements expire between 2006 and 2014, and most of the facility lease agreements contain renewal options. Future minimum lease payments under capital leases and operating leases, together with the present value of the net minimum capital lease payments at December 31, 2006, are as follows:

	<b>Capital Leases</b>	<b>Operating Leases</b>
	<b>(In thousands of dollars)</b>	
2007	\$ 505	\$ 2,482
2008	460	2,520
2009	460	2,202
2010	251	1,361
2011	11	469
Later years through 2014	—	469
<b>Total minimum lease payments</b>	<b>1,687</b>	<b>\$ 9,503</b>
Less: Amounts representing interest	(290)	
<b>Present value of net minimum lease payments</b>	<b>1,397</b>	
Less: Current portion	376	
	<b>\$ 1,021</b>	

Rent expense for operating leases was \$3.3 million for the year ended December 31, 2006.

**Nationwide Credit, Inc. and Subsidiary**  
**Notes to Consolidated Financial Statements — (Continued)**

**9. Income Taxes**

The provision for income taxes includes the following at December 31:

	<b>(In thousands of dollars)</b>
Current expense	
Federal	\$ —
State	—
Foreign	124
Total current expense	<u>124</u>
Deferred expense	
Federal	(793)
State	(278)
Foreign	(64)
Total deferred expense	<u>(1,135)</u>
Valuation allowance	<u>1,135</u>
Provision for income taxes	<u>\$ 124</u>

A reconciliation between reported income tax expense from continuing operations and the amount computed by applying the statutory federal income tax rate of 35% is as follows at December 31:

Computed tax benefit	\$ 413
State taxes	117
Change in valuation allowance	(1,135)
Other	729
	<u>\$ 124</u>

**Nationwide Credit, Inc. and Subsidiary**  
**Notes to Consolidated Financial Statements — (Continued)**

Deferred income taxes reflect the net effect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Significant components of the Company's deferred tax assets and liabilities are as follows at December 31:

<b>Deferred tax liabilities</b>	
Prepaid expenses	\$ (538)
Total current expense	(538)
<b>Deferred tax assets</b>	
Intangible assets	8,098
Fixed assets	1,106
Allowance for doubtful accounts	201
Restructuring reserve	650
Accrued expenses	213
Net operating loss carryforwards	6,082
Alternative minimum tax credit	7
Foreign tax credit	—
Total deferred tax assets	16,357
Valuation allowance	(15,819)
Net deferred tax asset	\$ —

The Company has net operating loss carryforwards available to offset future taxable income of approximately \$18.9 million at December 31, 2006. These carryforwards expire at various dates through 2026. A valuation allowance has been provided given the Company's history of operating losses, as the realization of the deferred tax assets is uncertain. The Company has evaluated the change of ownership that occurred in 2002 and determined that a portion of its intangible asset amortization is limited due to Internal Revenue Code Section 382 limitations. Accordingly, the corresponding deferred tax asset is not recorded.

**10. Commitments and Contingencies**

The Company is involved in litigation arising in the ordinary course of business. In the opinion of management, the ultimate resolution of these matters will not have a material adverse effect on the Company's financial position or results of operations.

Standby letters of credit are issued to certain suppliers to guarantee the Company's payment for purchases under favorable trade terms and to guarantee the Company's potential surety bond obligations.

**11. Retirement Plans**

The Company has an incentive savings plan that allows eligible employees to contribute a percentage of their compensation and provide for certain matching and other contributions. The matching contributions associated with the plans were approximately \$163 for the year ended December 31, 2006.

**Nationwide Credit, Inc. and Subsidiary**  
**Notes to Consolidated Financial Statements — (Continued)**

**12. Related-Party Transactions**

The Company is required to pay interest to its majority shareholder, Inflection, under the terms of the Term Loan and the \$7 million Subordinated Notes as 100% of these loans are held by Inflection. The Company paid approximately \$3.1 million in interest to Inflection during the year ended December 31, 2006. In addition, during 2005 the Company reimbursed approximately \$1.1 million of expenses to or on behalf of shareholders of Inflection, and has accrued an additional \$68 as of December 31, 2006 for such expenses.

**13. Gain on Sale of Healthcare Assets**

On July 31, 2005, the Company sold its healthcare assets for \$3.9 million in cash, resulting in a gain of \$1.9 million. The total of the net book value of the assets sold and the sale related expenses amounted to \$2.0 million. On August 15, 2006, the Company received \$0.6 million of income pursuant to the terms of the Agreement.

June 29, 2009

**BY EDGAR AND BY FEDERAL EXPRESS**

**U.S. SECURITIES AND EXCHANGE COMMISSION**

Division of Corporation Finance

100 F Street, N.E.

Washington, DC 20549

Attention: Larry Spigel, Assistant Director

**Re: *Altisource Portfolio Solutions S.A.*  
*Registration Statement on Form 10*  
*File No. 001-34354***

Ladies and Gentlemen:

This letter responds to the Staff's letter to Altisource Portfolio Solutions S.A., formerly known as Altisource Portfolio Solutions S.à r.l ("Altisource" or the "Company"), dated June 1, 2009, which contained the Staff's comments to the Company's Registration Statement on Form 10 referenced above and the information statement filed as Exhibit 99.1 thereto (collectively, the "Form 10"). Each response follows the Staff's comments in bold below. Enclosed herewith is a copy of Amendment No. 1 to the Form 10 (the "Amendment"), which has been marked to indicate the changes made to the Form 10 filed on May 13, 2009.

In addition to responding to the Staff's comments, the Company has amended the Form 10 to reflect the conversion of Altisource Portfolio Solutions S.à r.l. into Altisource Portfolio Solutions S.A., effective June 5, 2009. Accordingly, the Company has changed the name of the Registrant and has deleted the wording, "(to be converted into Altisource Portfolio Solutions S.A. in connection with the transactions described herein)" from the Form 10.

Caption references and page numbers included in the Company's responses refer to the captions and pages contained in the Amendment, unless otherwise indicated. Capitalized terms used but not otherwise defined herein have the meanings ascribed to such terms in the Amendment. Consistent with the Form 10, we have scheduled dollar amounts included herein in thousands of dollars.

**Registration Statement on Form 10**

**Cover Page**

- 1. Please revise your cover page to include the Commission file number associated with your Form 10.**

The Company has revised the cover page to the Registration Statement to include Commission file number 001-34354.

**Thinking Ahead. Delivering Today.™**

2015 Vaughn Road, Bldg 400 | Kennesaw, GA 30144

---

**Summary, page 1**

2. **In the first bullet point under “Altisource’s Competitive Strengths,” you use certain terms: process outputs, solutions, process inputs, and seats. Please explain what those terms mean.**

The Company has amended the Form 10 delete the term “process inputs” and to better describe the intended meaning of the referenced terms. As amended, the disclosure reads as follows on page 3 and on page 67 of the Amendment:

Strong Domain Expertise. Altisource focuses on selling process outputs and solutions instead of seats. Process outputs and solutions are the number of units produced or the number of units managed on behalf of our client. Seats refers to charging a set rate per outsourced employee or per minute of talk time. For example, in our Mortgage Services business we generally charge for each valuation, property inspection, title search and real estate asset sold. In our Financial Services business, we generally charge a percentage of the amount we collect on delinquent consumer receivables on behalf of our clients. In our Technology Products business, we generally charge our clients based upon the number of the client’s loans processed on the Altisource licensed system, or based on the number of our client’s employees that are using the applicable systems. Unlike a business model that sells all of its services on a per person basis, this allows us to improve our margins as we become more efficient in providing our services.

**Reasons for the Separation, page 4**

3. **Clarify that to preserve the tax free nature of the spin-off, the company will effectively be prohibited from using its equity as a capital resource for the next two years.**

The Company believes that it will be limited but will not be prohibited from using its equity as a capital resource for the next two years. In the third bullet under “Reasons for the Separation”, the Company states that one reason for the Separation is that the Separation will “Provide Altisource the option of offering its stock as consideration to potential acquisition targets (subject to certain limitations)”. The Company included the limitation notation in reference to the discussion on page 30 of the Amendment in the paragraph that states, in relevant part, “Even if the Distribution otherwise qualifies for tax-free treatment under Section 355 of the Code, the transaction may become fully taxable to Ocwen under Section 355(e) of the Code if stock representing 50% or greater interest in either Ocwen or Altisource is acquired by one or more persons as part of a plan or series of related transactions that include the Distribution.” As considered herein, this limitation relates to purchases of our common stock or to issuances of our stock if such issuance results in an entity obtaining control of 50% or more of our total shares outstanding post transaction(s) during the applicable period.

Further, the Company would like to bring to the Staff’s attention our disclosures under “Certain United States Federal Income Tax Consequences of the Separation” on page 28 which discuss the Restructuring of Altisource and the impact of multiple sections of tax code that apply in such cases. As part of that disclosure we note “if the Distribution were not to qualify as a tax-free transaction, Ocwen may not recognize substantial taxable gain because most, if not all, of such gain already would have been recognized pursuant to the Restructuring of Altisource...” In Summary, this section, among other items, discusses the Company’s belief that since Ocwen will have incurred most, if not all, of the taxes that would have been paid in a non tax-free spin due to the reorganization, the Company considers the limitations of a tax-free spin to be minimal.

To clarify these concepts in the Form 10, the Company has augmented our disclosures on page 4 of the Amendment such that this bullet now reads as follows:

- Provide Altisource the option of offering its stock as consideration to potential acquisition targets (subject to certain limitations, as for a period of two years following the Separation, issuances of 50% or more of our common stock to one entity may cause the Distribution to lose its tax-free treatment for Ocwen; however, we believe that the impact of such loss of the tax-free treatment for Ocwen would be mitigated substantially because Ocwen shall recognize substantially all of its gain in the Altisource business in connection with the Restructuring as more fully described under “Certain United States Federal Income Tax Consequences of the Separation”);

**How will existing stock options be treated in the Separation? . page 8**

4. **Advise how the company will value the company stock being distributed in the spin-off, and consider including a risk factor highlighting the fact that the value attributed to the company’s common stock in the spin-off might not be equivalent to the company’s market price following the spin-off.**

The Company has amended the Form 10 to reflect its interpretation of the Staff’s comment on pages 9, 27 and 28 of the Amendment. The Company is interpreting the Staff’s comment to be focused on the effect of the relative valuation differences on the options rather than on the value of the company stock itself, and therefore has responded based on this interpretation. The revised wording is as follows:

At the Separation Date, all holders of Ocwen stock options, including Altisource employees and those who will remain with Ocwen after the Separation, will receive the following:

- a new stock option issued by Altisource to acquire the number of shares of Altisource common stock equal to the product of (a) the number of Ocwen stock options held on the Separation Date and (b) the distribution ratio of one share of Altisource common stock for every three shares of Ocwen common stock; and
- an adjusted Ocwen stock option for the same number of shares of Ocwen common stock with a reduced exercise price per stock option.

We will determine the exercise price of the new Altisource stock option and the adjusted Ocwen stock option based on the exercise price ratio. We will calculate the exercise price ratio for each individual stock option based on the ratio of the grant date exercise price of the individual stock option to the fair market value of the Ocwen stock immediately prior to the Separation. For example, assume that the Ocwen stock trades at \$12.00 immediately prior to the Separation, and an employee holds an option with an exercise price of \$8.00. The exercise price ratio for this stock option is 66.7%. We then will apply this exercise price ratio to the trading value of the Ocwen stock and the Altisource stock on the date the Altisource stock begins trading on The NASDAQ Stock Market LLC to determine the exercise price of the new Altisource stock option and the adjusted Ocwen stock option.

The Company also has amended the Form 10 to include an additional risk factor on page 12 of the Amendment that reads as follows:

*The value we attribute to the Ocwen and Altisource common stock for the purpose of determining the revised exercise price of the Ocwen stock options and the exercise price of the*



*new Altisource stock options might not be equivalent to the Ocwen and Altisource market prices following the Separation.*

In connection with the Separation, all holders of Ocwen stock options will receive: (1) a new Altisource stock option to acquire the number of shares of Altisource common stock equal to the product of (a) the number of Ocwen stock options held on the Separation Date and (b) the distribution ratio of one share of Altisource common stock for every three shares of Ocwen common stock; and (2) an adjusted Ocwen option for the same number of shares of Ocwen common stock with a reduced exercise price per stock option. We will determine the exercise price of the new Altisource stock option and the adjusted Ocwen option based on the exercise price ratio. We will calculate the exercise price ratio for each individual stock option based on the ratio of the grant date exercise price of the individual stock option to the fair market value of the Ocwen stock immediately prior to the Separation. We then will apply this exercise price ratio to the trading value of the Ocwen stock and the Altisource stock on the date the Altisource stock begins trading on The NASDAQ Stock Market LLC to determine the exercise price of the new Altisource stock option and the adjusted Ocwen option. Although the intrinsic value (the difference between the market price of the stock and the exercise price of the stock option) of the stock option to its holder will be the same as of the Separation Date, fluctuations in the market price of the Ocwen and Altisource common stock may cause this ratio to vary greatly following the Separation. In addition, although the intrinsic value will be the same, the fair value of the option may be different due to potential changes in the expected stock price volatility, option life and other factors we use to determine fair value using the Black-Scholes options pricing model.

**Risk Factors, page 11**

5. **Consider including a risk factor highlighting the fact that Altisource will be a foreign corporation unlike Ocwen. Discuss all the risks that stem from having operations, assets, and management located outside the United States.**

The Company has amended the Form 10 to reflect the Staff's comment on pages 11 and 12 of the Amendment. The additional risk factors are as follows:

*Our status as a foreign corporation may subject us to greater international risks than Ocwen.*

Ocwen is a Florida corporation with its headquarters in the United States. Altisource is organized under the laws of Luxembourg and a significant portion of our employees and assets are located outside the United States. We may be affected by a number of factors relating to our international operations including potential changes in:

- economic conditions from country to country;
- political conditions, trade protection measures, licensing and other legal requirements;
- tax laws in Luxembourg or India, where we have substantial operations, or in the United States particularly as they relate to assets contributed by a U.S. corporation to a non-U.S. corporation prior to a spin-off; and
- the perception of our existing and potential customers of non-U.S. companies.

*Altisource is a Luxembourg company and it may be difficult for you to enforce judgments against it or its directors and executive officers.*

Altisource is a public limited company organized under the laws of Luxembourg. As a result, the rights of shareholders are governed by Luxembourg law and the articles of incorporation of Altisource. The rights of shareholders under Luxembourg law may differ from the rights of

shareholders of companies incorporated in other jurisdictions. A substantial portion of the assets of Altisource are located outside the United States. It may be difficult for investors to enforce in the United States judgments obtained in U.S. courts against Altisource or its directors based on the civil liability provisions of the U.S. securities laws, or to enforce in Luxembourg judgments obtained in other jurisdictions, including the United States.

**6. Consider including a risk factor highlighting the possible dilutive effect the distribution may indirectly have on Ocwen shareholders due to the increase in the conversion rate under the existing Ocwen convertible notes.**

The Company has amended the Form 10 to reflect the Staff's comment on page 14 of the Amendment. The additional risk factor is as follows:

*We anticipate that the Distribution will trigger conversion rights and a change in the conversion rate under Ocwen's 3.25% Contingent Convertible Unsecured Senior Notes due 2024 that may have a dilutive effect on Ocwen shareholders.*

Ocwen currently has \$56,445 in aggregate outstanding principal amount of 3.25% Contingent Convertible Unsecured Senior Notes due 2024 that contain certain conversion rights for the holders of the notes. Conversion rights would be triggered if the value of the Altisource common stock distributed in the Distribution has a per share value exceeding 10% of the closing sales price of the Ocwen common stock on the business day preceding the announcement of the Separation. We expect the Altisource per share value will exceed this 10% trigger, and as a result additional shares of Ocwen common stock may be issued and a further dilutive effect on Ocwen's share price might occur as a result thereof. In addition, regardless of whether the conversion rights are triggered, the Distribution will result in an increase in the conversion rate under the convertible notes, which is the ratio of the number of shares of Ocwen stock into which the notes are convertible. This increase in the applicable conversion rate may have a further dilutive effect.

**7. In the second full paragraph on page 23, we note one reason Altisource is separating from Ocwen is that Altisource can pursue clients who are competitors of Ocwen. However, Altisource and Ocwen will continue to have a close relationship because, among other things:**

- Ocwen generates 40% of the revenues of Altisource,
- Ocwen and Altisource will enter into a Transition Services Agreement for a period of two years and three other agreements (the Services Agreement, the Technology Product Services Agreement, and the Intellectual Property Agreement) for a period of eight years, and
- Ocwen and Altisource have Mr. William Erbey as a significant controlling shareholder.

Given that you will have a close relationship with Ocwen for a considerable period of time, please consider an additional risk factor that addresses whether your close relationship with Ocwen will inhibit your ability to obtain and retain other clients who compete with Ocwen.

The Company has amended the Form 10 to reflect the Staff's comment on page 15 of the Amendment. The additional risk factor is also provided below:

*Our continuing relationship with Ocwen may inhibit our ability to obtain and retain other customers that compete with Ocwen.*

Our chairman currently owns 27.1% of Ocwen's common stock and will own 27.1% of our common stock as of the Separation Date, subject to dilution due to stock option exercises or conversion of some or all of Ocwen's 3.25% Contingent Convertible Unsecured Senior Notes due 2024. We generated approximately 40.1% of our revenues in 2008 from Ocwen. For up to two years following the Separation, we and Ocwen will provide transition services to each other. We also expect to retain Ocwen as a significant customer for the foreseeable future. Given this close and continuing relationship with Ocwen, we may encounter difficulties in obtaining and retaining other customers who compete with Ocwen. Should these other potential customers continue to view Altisource as part of Ocwen or as too closely related to or dependent upon Ocwen, they may be unwilling to utilize our services and our growth could be inhibited as a result.

**Risks Affecting Our Financial Services Business, page 20**

8. **Please address how the Credit Card Accountability, Responsibility, and Disclosure (CARD) Act of 2009 signed by the President on May 22, 2009 will affect your business as a whole and, particularly, the debt collection operations of the Financial Services Segment.**

The Company has amended the Form 10 to reflect the Staff's comment on page 22 of the Amendment. The additional risk factor is as follows:

*The Credit Card Accountability, Responsibility, and Disclosure Act of 2009 (the "CARD Act") may have a negative impact on our business or that of our customers.*

The CARD Act was signed into law by the President of the United States on May 22, 2009. The CARD Act limits when issuers of consumer credit cards can increase interest rates and bans billing and payment practices that the Federal Reserve calls "unfair or deceptive." Although Altisource is not an issuer of consumer credit cards, the majority of our customers in the Financial Services segment do issue consumer credit cards and likely will be impacted by this new legislation. In that regard, indications suggest that the CARD Act will result in curtailing the amount of credit card business these customers generate and therefore may reduce the number and dollar value of accounts that these customers place with us. The resulting impact could be a future reduction of the revenues of this segment.

**Decreased lending and real estate activity may reduce demand..., page 18**

9. **Please explain in more detail what "non-agency" means.**

The Company has amended the Form 10 to reflect the Staff's comment on page 20 of the Amendment. The additional description is provided below for the Staff's convenience:

Mortgage loans that are insured by the Federal Housing Administration, referred to as FHA loans, are known as agency loans. Mortgages that are not FHA loans are known as non-agency loans. Our customers primarily service mortgages that are not insured by the FHA and therefore are non-agency mortgages.

**Dividend Policy, page 35**

10. **Please provide the disclosure required by Item 201(a)(2) of Regulations S-K.**

The Company has amended the Form 10 to reflect the Staff's comment on pages 37 and 38 of the Amendment. The additional disclosure is as follows:

***Thinking Ahead. Delivering Today.™***

**Listing and Trading of Our Common Stock**

Before the Separation Date, there will be no public market for our common stock. We have applied to list our common stock on The NASDAQ Stock Market LLC under the symbol “ASPS”. Following the Separation, Ocwen’s common stock will continue to trade on the New York Stock Exchange under the symbol “OCN”.

As of May 1, 2009, there were 67,434,998 shares of Ocwen common stock, \$0.01 par value outstanding. Based on the Separation Ratio of one share of Altisource common stock for every three shares of Ocwen common stock outstanding, we anticipate that Ocwen will distribute up to 22,478,333 shares of our common stock to shareholders, adjusted downward for fractional shares. In addition, as of December 31, 2008, there were 9,428,952 stock options outstanding under Ocwen equity plans that may be exercised for up to 3,142,984 shares of Altisource common stock. Finally, Ocwen has \$56,445 face amount of 3.25% Contingent Convertible Unsecured Senior Notes due 2024 outstanding that may be convertible into 4,638,046 shares of Ocwen common stock under which 1,546,015 shares of Altisource common stock could be distributed, subject to adjustment. These notes will be convertible prior to the Separation if the Distribution triggers conversion rights, which would occur if the value of the Altisource common stock distributed in the Distribution has a per share value exceeding 10% of the closing sales price of the Ocwen common stock on the business day preceding the announcement of the Separation. We anticipate that the Distribution will trigger these conversion rights. For additional information, see the detailed discussion in “Risk Factors”.

**Unaudited Pro Forma Combined Consolidated Statement of Operations, page 40**

11. **We refer to pro forma adjustment 1. It is not clear why you have determined it is appropriate to include this incremental revenue as a pro forma adjustment. Please delete this adjustment or tell us why you believe it is directly attributable to the spin-off transaction and meets the other criteria in Rule 11-02(b)(6) of Regulation S-X.**

The Company has amended the Form 10 to delete this adjustment. Upon further review, the Company does not believe the adjustment is directly attributable to the spin-off transaction and therefore does not meet the criteria in Rule 11-02(b)(6) of Regulation S-X.

12. **We refer to pro forma adjustment 2. It is not clear why you have determined it is appropriate to eliminate the charge for interest expense identified in the note. Please delete this adjustment or tell us why you believe it meets the criteria in Article 11 of Regulation S-X.**

In order to evaluate potential business opportunities and assess management’s performance Ocwen fully allocates costs to business units. In addition, Ocwen allocates “interest” to each business unit, principally to reflect the opportunity costs of the invested capital of each business unit. The amount allocated primarily includes total interest incurred by Ocwen. As a servicer of sub-prime residential mortgage loans, Ocwen incurs significant debt obligations to purchase service rights and fund servicing advances. With the acquisition of NCI, resulting in an increase in invested capital, Altisource’s total allocation of interest increased beginning in June 2007.

Conversely, Altisource has no intention at this time to incur additional debt, and in fact recently chose to terminate its revolving credit facility meaning the only debt outstanding is related to

capital leases. In addition, we believe that we can finance our organic growth via our existing cash flows (whereas Ocwen tends to utilize a combination of debt and cash flows to purchase new servicing rights).

The interest charge considered in adjustment 2 relates to Ocwen's opportunity cost methodology based upon interest incurred by Ocwen, which has no relevance to the interest or opportunity costs for Altisource. In addition, we note that as of the date of the Separation, Altisource will no longer incur any allocations of interest from Ocwen and instead will only recognize interest related to capital lease obligations, which has not been removed from the pro forma presentation. Accordingly, the Company believes that the change in the interest it will incur is directly attributable to the Separation and that it is appropriate to include the reduction of the interest allocation from Ocwen as a pro forma adjustment in the Unaudited Pro Forma Combined Consolidated Statement of Operations. The Company believes that the adjustment is (1) directly attributable to the transaction; (ii) expected to have a continuing impact on the registrant; and (iii) factually supportable as required under Rule 11-02(b)(6) of Regulation S-X.

Recognizing that the concept of allocating interest can be confusing, the Company has amended the Form 10 to provide a more complete explanation of the adjustment to reflect the Staff's comment on page 44 of the Amendment in Note 1 as follows:

We reflect an interest charge from Ocwen in other expense which represents an allocation of Ocwen's total interest expense to us. This charge was calculated based on our assets in comparison to Ocwen's total assets and was \$2,269 in 2008. After the Separation, Ocwen and Altisource will operate inherently different business models and Altisource will no longer be subject to this allocation of interest from Ocwen. Further, Altisource does not anticipate incurring any new debt for which it will incur interest expense in connection with the Separation.

**13. We refer to note 3. Revise to include a description of the transitional services agreement as described on pages 32 and 33 and disclosure indicating that it has not been contemplated in the pro forma results.**

The Company has amended the Form 10 to reflect the Staff's comment on page 42 of the Amendment and also included the range of the potential costs consistent with the Staff's comment number 15. Upon further consideration of this disclosure, the Company considered it appropriate to move this disclosure to the introduction within the "Unaudited Pro Forma Financial Information" section by inserting the following additional disclosure as a second paragraph within that introduction:

Altisource will enter into a Transition Services Agreement with Ocwen under which we and Ocwen will provide to each other services in such areas as human resources, vendor management, corporate services, six sigma, quality assurance, quantitative analytics, treasury, accounting, risk management, legal, strategic planning, compliance and other areas for up to two years. Each company will provide such services at fully-allocated cost and management believes that such allocations will be materially consistent with current cost levels incurred by Altisource as a part of Ocwen. We have not contemplated any financial impact of this agreement in these pro forma results of operations. We do anticipate that we will incur increased costs associated with being a separate publicly traded company including, but not limited to, maintaining a separate Board of Directors and obtaining a separate audit as well as changes that we expect in our tax profile, personnel needs, financing and operations of the contributed business as a result of the Separation from Ocwen. We also expect to incur costs to relocate certain executives, and to grant a limited number of stock options to executives subsequent to the Separation. We estimate that all of such

expenses will range from \$2,000 to \$4,000 per year in excess of amounts currently allocated to us by Ocwen for similar expenses.

**14. We refer to note 4. Disclose the number of additional shares that you would issue if the conversion rights under Ocwen's Contingent Convertible Notes are triggered.**

The Company has amended the Form 10 to reflect the Staff's comment on page 44 of the Amendment to include this additional disclosure as follows:

We estimate that approximately 1,546,015 additional shares of Altisource common stock could be issued if these conversion rights were triggered and all of the note holders exercised these rights.

**Management's Discussion and Analysis of Financial Condition and Results of Operation, page 42**

**Separation from Ocwen and Basis of Presentation, page 43**

**15. We refer to the disclosures in this section as well as the related risk factors disclosed on pages 11 and 12. Please revise to describe the transition services agreement and specifically address the changes in your results of operations, liquidity, capital resources, and trends that you expect to occur as a result of the separation from Ocwen. It is important for investors to understand your historical financial information when you operated as part of Ocwen and the extent to which management expects the trends and results of operations to continue or change after separation. Revise to include a discussion of, and quantify the impact of, additional costs associated with being a stand-alone, public company, providing information about the potential variability of your earnings and cash flows.**

The Company has amended the Form 10 to reflect the Staff's comment on pages 46 and 47 of the Amendment to include the following additional disclosure:

As part of Ocwen, we share certain corporate functions with Ocwen and Ocwen allocates a portion of its expenses to us to reflect our share of such expenses. We expect to enter into a Transition Services Agreement with Ocwen under which we and Ocwen will continue to share resources and provide services to each other on a fully allocated cost basis for up to two years. These services will include such services as human resources, vendor management, corporate services, six sigma, quality assurance, quantitative analytics, treasury, accounting, risk management, legal, strategic planning, compliance and other services. Given that these services will be at fully allocated cost, we expect that our costs will be approximately equal before and immediately after the Separation. However, we will need to transition away from Ocwen over the next two years, which likely will increase the overall costs that we incur as we no longer will benefit from the economies of scale we generated as part of a larger organization and likely will have duplication of functions that would not be necessary if we were to remain within the Ocwen organization. We also will incur other expenses as a result of being a separate publicly traded company that are not reflected in our historical financial statements. These additional expenses include, but are not necessarily limited to:

- maintaining a separate Board of Directors;
- obtaining a separate audit including additional audit procedures in 2010 to comply with the provisions of Section 404 of the Sarbanes-Oxley Act;
- utilizing legal counsel to review the additional public company filings and paying listing and other fees;
- purchasing separate Directors and Officers and other insurance protection;

- incurring taxes separate from Ocwen's consolidated U.S. federal income tax return that may result in a higher effective income tax rate than we have calculated in our historical financial statements included herein;
- paying relocation expenses for certain executive management;
- incurring potentially higher financing costs should we need to borrow monies to maintain or grow our operations; and
- hiring additional support staff in areas previously provided by Ocwen.

We estimate that these additional expenses will be between \$2,000 and \$4,000 per year, resulting in higher expenses that we will record in our results of operations. This estimate includes from \$500 to \$700 for the Board of Directors fees and expenses, \$700 to \$1,000 for audit fees, \$200 to \$400 for legal counsel and fees, \$300 to \$500 for additional insurance, \$1,000 to \$1,600 for additional personnel and \$500 to \$1,000 for other expenses, all net of approximately \$1,200 currently being allocated to Altisource by Ocwen for these expenses. The amount and timing of when we incur such additional expenses will increase the variability of our earnings and cash flows after the Separation. If we are unable to lower other expenses or increase revenues, these additional expenses also will lower our earnings and our cash flows.

16. **We note from the risk factor disclosed on pages 13 and 14 that a substantial part of your revenue and external cash flows will be generated by providing outsourcing services to Ocwen. Revise MD&A to describe the potential variability of your earnings and cash flows in the event that you are required to provide services at below market rates.**

The Company has amended the Form 10 to reflect the Staff's comment on page 47 of the Amendment to include the following additional disclosure:

We generated 40.1% of our revenues in 2008 from Ocwen businesses not included in the Separation or services derived from Ocwen's loan servicing portfolio. We anticipate that Ocwen will continue to be a significant customer for Altisource for the foreseeable future. We currently provide these services at rates that we consider to be at market. We expect that the prices that we will charge for these services beginning with the Separation Date will be determined pursuant to these services agreements, with such prices subject to revision at specified intervals. However, if market conditions change and we are required to provide services to Ocwen at below market rates, we could experience decreased earnings and cash flows as well as greater variability in our performance compared to our historical results.

**Selling, General and Administrative Expenses, page 45**

17. **We note the net decrease of \$6,251 in SG&A expenses from 2007 to 2008 relating to cost reductions in your Mortgage Services segment. Please revise to provide insight into the underlying business drivers or conditions that contributed to the decrease and describe any known trends or uncertainties that have impacted or you expect may reasonably have a material impact on your operations and if you believe that these trends are indicative of future performance.**

The Company has amended the Form 10 to reflect the Staff's comment on page 50 of the Amendment to provide the following additional disclosure:

We generated these net decreases primarily by reducing the number and cost of our personnel supporting our Mortgage Services operations. By increasing the utilization of our technology, maximizing the benefits of our diverse workforce and limiting the use of external professional

services, we reduced our internal costs and the allocation of costs charged to us by Ocwen. We anticipate that these cost improvements will continue to benefit us in 2009 but may be offset to some degree by the costs associated with the growth and development of our new products. Further, the additional costs of being a separate public company that we will incur after the Separation will offset or may exceed the benefits of these improvements and we may have higher selling, general and administrative costs in the future as a result.

**Liquidity and Capital Resources, page 52**

18. **You state that you believe your ability to generate cash flows from operations, coupled with cash on hand and available borrowing capacity under your committed credit facility, will be adequate to meet anticipated cash requirements. Please revise to clarify how long you expect these cash sources to be adequate and enhance your disclosures to provide a clear picture of your ability to generate cash and meet existing and known or reasonably likely short- and long-term cash requirements. We consider "long-term" to be the period in excess of the next twelve months. Clarify whether management believes the company will have sufficient cash and other financial resources to fund operations and meet its obligations beyond the next twelve months.**

We bring to the Staff's attention our revised disclosures that the Company has determined it is in its best interest to terminate the credit line, and have provided additional disclosures relating to this termination as described in the additional comments at the end of this response. This termination was primarily a result of our belief in our ability to generate strong operating cash flows and our desire to ensure we have maximum flexibility in our ability to deploy capital resources. We also believe the following supplementary information would be helpful to the Staff:

- For 2008, Ocwen represented 40.1% of our revenues for which we generally are paid on the same day the service was provided;
- For 2008, American Express represented 25.8% of our revenues for which we are paid weekly;
- Our gross accounts receivable at December 31, 2008 comprised less than one month's revenues and we anticipate that we will continue to maintain relatively low balances in our accounts receivable; and
- Our pre-tax income adjusted for non-cash items, which we believe is a reasonable measure of our operating cash flows, is more than 75% greater in the five months ended May 31, 2009 than in the comparable 2008 period.

The Company has amended the Form 10 to reflect our decision to terminate the credit facility and the Staff's comment on page 56 of the Amendment. The Company also included its amendment responsive to the Staff's comment number 22 in its amendment for this comment. The amended disclosure is as follows:

(Addition to the first paragraph under Liquidity):

Management believes that Altisource will have sufficient cash and other financial resources to fund current operations and meet its obligations beyond the next twelve months without incurring additional debt.

(Addition to the third paragraph under Liquidity):



In most cases, we are able to grow our business organically with little to no additional capital. Furthermore, for over 60% of the services we provide, we are paid as we provide the service or within a limited timeframe (i.e., within one week) which minimizes our working capital requirements and ensures sufficient, timely cash flows to fund operations. Furthermore, our operations generated strong cash flow in each of the past three years and only required a contribution from Ocwen in order to acquire NCI in June 2007. We expect to continue to generate positive cash flow from operations throughout 2009 and in subsequent years.

We may be restricted initially from pursuing larger acquisitions. However, we believe we still will be able to complete a number of strategic transactions that will be accretive to our operations and will not require a significant use of cash to complete. The limitations on the use of our stock in an acquisition are due to our desire to maintain the tax-free nature of the Distribution. For a period of two years following the Separation, issuances of 50% or more of our common stock to one entity may cause the Distribution to lose its tax-free treatment for Ocwen. However, we believe that the impact of such loss of the tax-free treatment for Ocwen would be mitigated substantially because Ocwen shall recognize substantially all of its gain in the Altisource business in connection with the Restructuring as more fully described under "Certain United States Federal Income Tax Consequences of the Separation".

19. **We note from your disclosure on page 53 that there were no formal financing arrangements with Ocwen. Please revise to provide a more detailed discussion of the informal financing arrangements with Ocwen. In addition, provide an analysis of the intercompany accounts as described in question 4 of SAB Topic 1:B for the activity reflected in the line item "net (distribution to) contribution from Parent" shown in the Combined Statements of Cash Flows on page F-6.**

The Company confirms that there were no formal or informal financing arrangements with Ocwen. As more fully discussed in our response to comment 12, Altisource was allocated interest expense as part of overhead charges, which may have lead to some confusion.

More specifically, with respect to question 4 of SAB Topic 1:B, historically Ocwen has allocated interest expense to its subsidiaries based upon assets, which has resulted in significant interest charges to the Altisource businesses, particularly since the acquisition of NCI in June 2007. This was based on internal allocation methodologies and not the result of formal or informal financing arrangements. Therefore, the activity reflected in the line item "net (distribution to) contribution from Parent principally includes the cash distributions to Ocwen as a result of our operations adjusted for the one time infusion related to the purchase of NCI.

In an effort to clarify the nature of these arrangements, the Company has revised and expanded our disclosures in the Amendment as follows with respect to the interest charge allocation by Ocwen on page 56 as follows:

*Liquidity and Capital Resources*

Total borrowings and cash as presented in the accompanying historical combined consolidated financial statements reflect only those balances we require to operate as a subsidiary of Ocwen. Historically, Ocwen has centrally managed the majority of the consolidated company's financing activities in order to optimize its costs of funding and financial flexibility at the corporate level. In addition, Ocwen has allocated interest expense to us based upon our portion of assets to

Ocwen's total assets which has resulted in interest charges reflected on our combined consolidated statement of operations. These interest charges reflect an allocation and are not indicative of the interest charge we expect to incur as a separate company. Actual interest expense incurred by Altisource historically includes our line of credit and other secured borrowings, as well as interest expense associated with capital leases.

The Company also amended page F-8 in response to this comment. The entire disclosure, which also incorporates the Company's responses to the Staff's comment numbers 33, 34 and 35 is as follows:

*Note 1 Basis of Presentation*

These combined consolidated financial statements also include allocations of expenses from Ocwen. Ocwen currently provides certain corporate functions to Altisource, including business insurance, medical insurance and employee benefit plan expenses and allocations for certain centralized administration costs for executive management, treasury, real estate, accounting, auditing, tax, risk management, internal audit, human resources and benefits administration. We determined these allocations using proportional cost allocation methods including the use of relevant operating profit, fixed assets, sales and payroll measurements. Specifically, personnel and all associated costs, including compensation, benefits, occupancy and other costs, are allocated based on the estimated percentage of time spent by the individual in the various departments. External costs such as audit fees, legal fees, business insurance and other are allocated based on a combination of the sales, fixed assets and operating profits of the department, whichever is most appropriate given the nature of the expense.

The combined consolidated financial statements may not be indicative of the Company's future performance and do not necessarily reflect what its combined consolidated results of operations, financial position and cash flows would have been had the Company operated as an independent company during the periods presented. For instance, Altisource expects to incur costs in excess of those allocated by Ocwen for maintaining a separate Board of Directors, obtaining a separate audit, relocating certain executive management and hiring additional personnel to operate separate from Ocwen. The charges for these functions are included primarily in "selling, general and administrative expenses" in the combined consolidated statements of operations. In addition, Ocwen has allocated interest expense to us based upon our portion of assets to Ocwen's total assets which is reflected as "Interest expense" in the combined consolidated statements of operations. Management believes such allocations are reasonable; however, they may not be indicative of the actual expense that would have been incurred had the Company been operating as an independent company for the periods presented. To the extent that an asset, liability, revenue or expense is directly associated with the Company, it is reflected in the accompanying combined consolidated financial statements.

20. **Your tables in your discussion break out revenues, SG&A expenses, and other income (expense) net derived from "Transactions with related parties." However, it appears, as you state on the bottom of page 56, that all such revenues and expenses are derived from transactions only with Ocwen. Please confirm whether this is true and, if so, please revise to properly identify Ocwen as the related party.**

The Company confirms to the Staff that all related party transactions are with Ocwen and the Company has amended the Form 10 to reflect the Staff's comment on page 48 of the Amendment to include the following additional description:

The transactions with related parties included in this table and throughout this Management's Discussion and Analysis of Financial Condition and Results of Operations consist of transactions with Ocwen businesses not included in the Separation or transactions derived from Ocwen's loan servicing portfolio.

**Technology Products, page 51**

**Revenues, page 51**

**21. Explain the phrases "market-based rate card" and "cost-based system."**

The Company has amended the Form 10 to reflect the Staff's comment on page 49 of the Amendment where the Company first references these phrases. The Company added the following explanations of these terms:

Under the cost-based method, we based our billings to Ocwen and our inter-segment charges on our expectation of costs for providing such services. We performed these cost-based billings on overall expectations of how we would allocate our resources with limited changes to reflect actual costs. Our market-based rate cards include charges for specific functions or services that we provide that are at rates that we believe approximate what market participants would charge in arms-length transactions. We establish the rates based on specific functions such as the number of loans processed on the Altisource licensed system or the number of employees that are using the applicable systems. We bill for these services on a monthly basis, and the billings change monthly based on activity levels. We change the rates periodically based on changes we identify in the market, but generally maintain consistent rates from month to month.

**Liquidity and Capital Resources, page 52**

**22. We note that the company will be restricted in issuing equity for the next two years to preserve the tax-free treatment of the spin-off. Discuss any effect this restriction is expected to have on the company's ability to meet the company's cash requirements during that time.**

The Company has amended the Form 10 to reflect the Staff's comment on page 56 of the Amendment as part of its amendment responsive to the Staff's comment number 18.

**Business, page 59**

**Our Reporting Segments, page 59**

**Financial Services, page 60**

**23. In the third full paragraph on page 60, you state that certain independent industry polls rank you as one of the ten largest receivables management companies in the U.S. Please disclose those polls.**

The Company has amended the Form 10 to reflect the Staff's comment on page 65 of the Amendment to include the following disclosure regarding these polls:

These two polls were the 2008 Industry Rankings for accounts receivable management companies as published in the August 2008 edition of Collections & Credit Risk Magazine and the Top Credit Card Collectors – 2007 as published in the August 2008 edition of The Nilson Report.

**Intellectual Property, page 64****24. Please describe the duration of your intellectual property protections. See Item 101(c)(1)(iv).**

The Company has amended the Form 10 to reflect the Staff's comment on page 69 of the Amendment. The additional disclosure is as follows:

Altisource currently holds one patent that expires in 2023 and has 18 pending patent applications with projected expiration dates from 2020 to 2030. In addition, Altisource has registered trademarks or recently filed applications for registration of trademarks in a number of countries or groups of countries, including 17 separate trademarks in the United States and up to twelve filings for the same marks in the European Community, India and in nine other countries or groups of countries. These trademarks generally can be renewed indefinitely.

**Competition, page 64****25. Please disclose your competitive position in each segment, if known. See Item 101(c)(1)(ix).**

The Company has amended the Form 10 to reflect the Staff's comment on page 69 and 70 of the Amendment in three separate insertions as follows:

From an overall perspective, we compete with the global business process outsourcing firms such as Genpact LTD, WNS (Holdings) Limited and Exlservice Holdings, Inc.

In our Financial Services segment, we are one of the top ten accounts receivable management companies in the U.S. out of approximately 1,800 agencies as ranked by two independent polls.

In our Mortgage Services and Technology Products segments, we compete primarily with a small number of national vendors and a large number of small regional or in-house providers. Given the diverse nature of product offerings that we and our competitors offer in these segments, we cannot determine our position in the market with accuracy, but we believe that we represent only a small portion of the overall market.

**Compensation Discussion & Analysis, page 68****26. Please confirm whether "Corporate EBITDA" in the table on page 72 is the same as the "pre-tax net income target" in the table on page 71 and, if so, please use the same terms.**

The Company has amended the Form 10 to reflect the Staff's comment on pages 77 and 79 of the Amendment. The Company confirms to the Staff that "Corporate EBITDA" and "pre-tax net income target" refer to the same measure. The Company informs the Staff that the use of the term "EBITDA" was included in error and has removed this term from the Amendment.

**Annual Incentive Compensation, page 70****27. For each of your corporate and personal scorecard elements, please disclose the actual dollar amounts attributed to each element for 2008. In addition, please disclose the actual dollar amounts attributed for each personal performance appraisal. This would assist the**

***Thinking Ahead. Delivering Today.™***

reader in understanding how the annual incentive compensation paid in 2008 was distributed among the various quantitative measures.

The Company has amended the Form 10 to reflect the Staff's comment on page 88 of the Amendment to provide an additional table in Note 4 to the summary compensation table that includes the details of the achievement of the non-equity incentive plan compensation. Please refer to page 88 of the Amendment for this table.

**Board of Directors and Corporate Governance, page 83**

28. Please address whether the disclosure required by Item 404(b) will be contained in the Corporate Governance Guidelines mentioned on page 83.

The Company confirms that the Corporate Governance Guidelines will contain standards with respect to the approval of related party transactions and has amended the Form 10 to reflect the Staff's comment on page 94 of the Amendment by adding "review, approval or ratification of transactions with related persons" to the topics that will be covered by the Corporate Governance Guidelines.

**Description of Capital Stock, page 88**

**Common Stock, page 89**

29. Please clarify what you mean when you state that the absolute majority of shares of common stock cast at a shareholders meeting can elect all of the directors of Altisource.

The Company has amended the Form 10 to reflect the Staff's comment on page 97 of the Amendment to delete the word "absolute" from the description. In reviewing the Articles of Incorporation, the Company determined that the requirement is for a "majority" and not for an "absolute majority."

**Financial Statement**

**Age of Financial Statement**

30. Please update the financial statements and other financial information to include the interim period ended March 31, 2009, as required by Rule 3-12 of Regulation S-X.

The Company separately will file a Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2009 to update its financial statements and other financial information responsive to the Staff's comment. In addition, the Company has updated the financial statements as of and for the year ended December 31, 2008, included in the Form 10 to reflect any subsequent events occurring since the initial filing of the Form 10.

**Income statement, page F-3**

31. Disclose the amount of revenues from related parties on the face of the income statements for each period presented. Also, disclose the amount of related party receivables on the face of the balance sheet. Refer to guidance in Rule 4-08(k) of Regulation S-X.

***Thinking Ahead. Delivering Today.™***

The Company respectfully notes for the Staff's consideration the table at the bottom of Page F-4, the Combined Consolidated Statements of Operations, which contains the amount of revenue from related parties, as well as other impacted amounts. Furthermore, the Company notes that we expanded our disclosures in Management's Discussion and Analysis of Financial Condition and Results of Operations to provide the reader of the financial statements the ability to evaluate trends with respect to related party revenues.

With respect to the balance sheet, the Company notes that in connection with our response to comment 18 we indicate that for the services historically provided to Ocwen, we received payment the same day the service was provided. Thus as of the Balance Sheet dates there were no receivables from Ocwen. In the future, we will have limited receivables from Ocwen related to recently launched services that we intend to provide to Ocwen and we will fully disclose the related receivables at that time.

**Note 1, Description of Business, page F-7**

**Basis of Presentation, page F-7**

32. **Disclose the individual equity accounts of each of the incorporated entities for each period presented in the combined financial statements and reconcile the information to total stockholder's equity on the balance sheet.**

The Company has amended the Form 10 to reflect the Staff's comment on page F-8 of the Amendment to include a table summarizing the individual equity accounts of each of the incorporated entities as of December 31, 2008 and 2007. Please refer to page F-8 of the Amendment for this table.

33. **We note from your disclosures on page 9 and F-8 that your historical financial results contained in this information statement may not be indicative of your future performance as a separate company following the Separation and do not necessarily reflect what your financial position, results or operations and cash flows would have been had you operated as a separate stand-alone company during the periods presented. All costs of doing business should be reflected in Altisource's historical financial statements. Please tell us why the financial information may not be indicative of your financial results in the future and as a stand-alone company and how you have complied with question one of SAB Topic 1:B.**

The Company informs the Staff that it believes that the allocation of expenses incurred by Ocwen to the Company related to services are reasonable and that such allocations accurately capture the Company's reasonable share of all costs of doing business as considered by SAB Topic 1:B. The Company's intent in stating that its historical financial results may not be indicative of its future performance is that the Company expects that the total expenses to be incurred by Ocwen and the Company will be greater post separation than those incurred historically by Ocwen alone due to the duplicative expenses of being a separate public company. Please see the Company's response to comment number 35 which provides additional information regarding the nature of the additional costs and clarification of how the Company has complied with question one of SAB Topic 1:B and our proposed disclosure.

34. **We note from your disclosures on page F-7 that Ocwen provides certain corporate functions to Altisource, including business insurance, medical insurance and employee benefit plan expenses and allocations for certain centralized administration costs for executive management, treasury, real estate, accounting, auditing, tax, risk management, internal**

audit, human resources and benefits administration and that management believes that the allocation of expenses is reasonable. We note your reference to a proportional cost allocation method. Please refer to question 2 of SAB Topic 1:B and for each material allocation made to you, revise to provide a detailed discussion of the allocation methods used by Ocwen.

The Company has amended the Form 10 to reflect the Staff's comment on page F-8 of the Amendment. The additional disclosure, which also is incorporated in the Company's response to the Staff's comment number 19 above, is as follows:

Specifically, personnel and all associated costs, including compensation, benefits, occupancy and other costs, are allocated based on the estimated percentage of time spent by the individual in the various departments. External costs such as audit fees, legal fees, business insurance and other are allocated based on a combination of the sales, fixed assets and operating profits of the department, whichever is most appropriate given the nature of the expense.

35. **Question 2 of SAB Topic 1B further clarifies that you should include footnote disclosure of management's estimate of what the expenses would have been if the company had operated on a stand-alone basis, if practicable and material. We note from your disclosures on page 11 that your historical financial statements do not reflect the increased costs associated with being a stand-alone company including, but not limited to, maintaining a separate Board of Directors and obtaining a separate audit. Disclose management's estimate of what the expenses would have been if you had operated as an unaffiliated entity of Ocwen. This disclosure should be presented for each year for which an income statement is presented.**

The Company has amended the Form 10 to reflect the Staff's comment on page F-8 of the Amendment. The Company is unable to quantify with precision these additional costs as it has not operated as a stand-alone company. Based on quotes the Company has received from external advisors for proposed audit and legal fees, the fees the Company expects to pay to non-employee directors and other costs of being a separate public company, the Company has estimated that these costs will be \$2,000 to \$4,000 in excess of the allocations from Ocwen to the Company on an annual basis, including for each year presented. The Company believes the amended disclosures now include all disclosures required by question 2 of SAB Topic 1:B. In addition to the disclosures added in response to the Staff's comment number 34, the Company has amended the information statement to include the following:

For instance, Altisource expects to incur costs in excess of those allocated by Ocwen for maintaining a separate Board of Directors, obtaining a separate audit, relocating certain executive management and hiring additional personnel to operate separate from Ocwen.

The Company also included the expected range of such additional expenses of \$2,000 to \$4,000 as well as the components of this range in response to the Staff's comment number 15 above.

**Revenue recognition, page F-10**

36. **Expand the disclosures of your revenue recognition policy to describe the specific criteria you use to recognize revenue for accounts receivable management, default management services, valuation related services, data processing and IT infrastructure services. Also, disclose the amount of revenues recorded as cost plus markup.**

The Company has amended the Form 10 to reflect the Staff's comment on pages 59, F-11 and F-12 of the Amendment to include the following additional disclosures regarding the Company's revenue recognition policies:

Specific policies for each of our reportable segments are as follows:

*Mortgage Services:* We recognize the majority of the services we provide in this segment on delivery of the product or service to our customer. Residential property valuation, certain property inspection and property preservation services, mortgage due diligence and certain closing and title services include specific deliverables for our customers for which we recognize revenues when we deliver the related valuation, property service, title search or due diligence report to the customer if collectibility is reasonably assured. We also perform services for which we recognize revenue at the time of closing of the related real estate transaction including real estate sales, real estate closings and certain title services. For default processing services and certain property preservation services, we recognize revenue over the period during which we perform the related services, with full recognition on completion of the related foreclosure filing or on closing of the related real estate transaction. For our knowledge process outsourcing services, we charge for these services based upon the number of employees utilized and providing such services.

*Financial Services:* We generally earn our fees for asset recovery management services as a percentage of the amount we collect on delinquent consumer receivables on behalf of our clients and recognize revenues upon collection from the debtors. We also provide customer relationship management services for which we earn and recognize revenues on a per minute basis as the related services are performed.

*Technology Products:* For our REAL suite, we charge based on the number of our client's loans processed on the system or on a per-transaction basis. We record transactional revenues when the service is provided and other revenues monthly based on the number of loans processed, employees serviced or products provided. Furthermore, we provide IT infrastructure services to Ocwen and charge for these services based on the number of employees that are using the applicable systems and the number and type of licensed products used by Ocwen.

With regards to the Staff's request for the Company to disclose the amount of revenues recorded at cost plus markup, the Company refers the Staff to the Company's response to comment number 37 below for its response to this comment.

37. **You disclose on page F-12 that you "reflect" some of the revenues from Ocwen at cost plus a small mark-up and the remainder of the revenues at a rate you believe to be market rates. Please revise your disclosure to clarify whether you recorded revenue at the historical rates charged to Ocwen or if you adjusted revenue to market rates subsequent to the date the transactions occurred. If you subsequently adjusted revenue to market rates, tell us why you believe this is appropriate.**

The Company has amended the Form 10 to reflect the Staff's comment on page F-14 of the Amendment. The Company changed the word "reflect" to "recorded" to clarify for the reader that the Company recorded the revenue this way in its books and records and did not adjust revenues as they were recorded in each period. Further, the Company amended the remainder of this paragraph to respond to the second part of comment number 36 above and to better explain the timing and impact of the changes that the Company made. The Company advises the Staff that it



changed the terminology from “at cost plus a small mark-up” to “based on our expectations of costs for providing such services.” As amended, this paragraph reads as follows:

We recorded the revenues we earned from Ocwen based on our expectations of costs for providing such services in our historical results of operations for all periods up to the end of the first quarter of 2008. We recorded the revenues we earned from Ocwen since the beginning of the second quarter of 2008 at rates we believe to be market rates as they are consistent with one or more of the following: the fees we charge to other customers for comparable services; the rates Ocwen pays to other service providers; market surveys prepared by unaffiliated firms; and prices being charged by our competitors. This change in the second quarter of 2008 resulted in additional revenues of approximately \$6,000 in 2008. These revised rates are materially consistent with the rates we will charge Ocwen under the various long-term servicing contracts into which we will enter in connection with the Separation.

**Note 9. Goodwill and Intangible Assets, page F-16**

38. **We refer to your amortization of “Component 2” goodwill in the Financial Services segment and the disclosures in MD&A at page 55. It is not clear to us why you believe it is appropriate to amortize goodwill recorded in the financial statements. Please tell us how you applied the guidance in SFAS No. 142 and other relevant accounting literature in determining the appropriate treatment for goodwill recorded for the acquisition of NCI.**

The Company acquired NCI in June 2007 prior to the effective date of SFAS No. 141(R). Upon the acquisition of NCI, and as a result of the historical tax basis goodwill being greater than the book goodwill, the Company followed the provisions of paragraphs 261-263 of SFAS 109 to determine the appropriate delineation between Component 1 and Component 2 goodwill in conjunction with purchase accounting. The Company respectfully submits that paragraph 262 of SFAS 109 requires the tax benefit of Component 2 goodwill to be applied first to reduce to zero any goodwill specifically related to the acquisition, which results in goodwill decreasing over time to the extent Component 2 goodwill exists and the tax benefits are realized. Furthermore, the Company also applies the provisions of SFAS 142 such that for book purposes, goodwill is not amortized yet is subject to annual impairment tests. The Company believes this treatment is in accordance with the various provisions of GAAP.

The “amortization” refers to the fact that for tax purposes, the Company is amortizing the goodwill in its tax return as required by Internal Revenue Code Section 197. The Company has modified its disclosures in the MD&A and in Note 9 of the combined consolidated financial statements to clarify that the amortization is for “tax purposes” on pages 60 and F-18 of the Amendment.

39. **We note that you amortize customer lists over 19 years. Tell us the factors you considered in determining the estimated useful life of customer lists.**

The Company advises the Staff that it recorded the customer lists intangible asset in connection with its acquisition of NCI in June 2007. The disclosure made by the Company in Note 9 to its combined consolidated financial statements is that the weighted average amortization period in years was 19 years. This weighted average life includes two components: one customer represents the majority of the intangible asset (\$33,300 of the original customer relationship intangible asset value of \$37,700) and the estimated useful life for this asset is 20 years; and all other customers

represent a small portion of the intangible asset and the estimated useful life for this asset is 10 years.

In determining the appropriate value for customer lists and amortizable life, management considered the advice of an independent valuation specialist among other factors.

More specifically, in determining the estimated useful life and appropriate amortization methodology for the significant customer, the Company considered the following factors:

- The customer had been a customer of NCI for over 30 years at the time of the acquisition. NCI was one of the customer's oldest vendors;
- The customer utilizes several vendors for the services that NCI provides, and NCI consistently receives one of the largest allocations of placements made each month by the customer. Generally, the customer has exhibited a strong sense of loyalty with NCI as well as with its other vendors;
- The independent valuation specialist concluded that the asset should be valued similar to a non-wasting asset given the historical relationship and future expectations;
- Because of the non-wasting nature of the asset, the life of the asset was determined to be the number of years until a single year's cash flow present value was less than 1% of the cumulative present value cash flows of all years. As determined by the independent appraisal, the life of the asset was estimated to be twenty years;
- The Company believed that the customer considered its acquisition of NCI to be a positive development and that the relationship would continue to be maintained; and
- The growth of historical revenues and forecasted revenues were fairly consistent. For example, revenues were forecasted to grow at the expected GDP rate of 2.8% each year for the twenty year period.

After considering all of these factors, and reviewing the relevant literature, management concluded that the asset should be amortized and that straight line was appropriate given the non-wasting nature and stable historical and projected revenues. With respect to the useful life of the asset, management concluded on twenty years after taking all of the above factors into consideration.

With respect to other customers, the Company considered the following factors:

- Relatively low turnover historically;
- Shorter duration of customer relationships; although several had been a customer of NCI for greater than ten years; and
- The independent valuation analyst which assumed a customer attrition rate of 25% (based on number of customers) offset partially by changes in existing customer volume and prices. Utilizing these factors, the valuation concluded an estimated life of twelve years based upon a relatively stable decline in revenues over the same period.

After considering all of these factors, management concluded that straight-line amortization over ten years was the best estimate of life and reflected our expectation of the economic use of the intangible asset relating to other customers.

As a follow up, we continue to maintain excellent relationships with these customers and believe the original estimates were reasonable. For example, the independent valuation specialist utilized a forecast of approximately \$29,000 for 2009 for the single customer, and we are currently projecting revenues of approximately \$33,000. We continue to monitor intangible assets for any triggering events or other signs of impairment.

\*\*\*\*\*

In addition to the above changes, the Company advises the Staff that the IRS issued new regulations subsequent to the Company's initial filing of its Form 10. These new regulations may impact the Company, and as such, the Company has added the following additional risk factor on page 14 of the amended information statement:

***New prospective tax regulations, if held applicable to the Separation, could materially increase tax costs to Altisource and/or Ocwen.***

On June 10, 2009, the IRS issued new regulations under Section 7874 of the Code. The IRS further indicated that it intends to issue additional regulations with respect to transactions where a U.S. corporation contributes assets, including subsidiary equity interests, to a foreign corporation and distributes the shares of such corporation, as in the Separation. Our understanding of the IRS's plans regarding these forthcoming regulations is that they would apply to the Separation only if the value of assets held by Ocwen's corporate or partnership subsidiary entities (either currently, or those that were distributed from such entities as part of the plan encompassing the Separation) exceeds, in the aggregate, 60% of the value of Altisource when contributed to Altisource. It is not certain, however, what these regulations will provide for once adopted. Prior to completing the Separation, Ocwen's board of directors will require Ocwen and Altisource to receive a valuation from an independent valuation firm that will enable the Company to determine whether the value of these assets is less than 60% of the value of Altisource. Because we believe the value of these assets does not exceed the 60% threshold, as we expect to be confirmed by information we derive from the independent valuation, we do not believe that Code Section 7874 applies to the Separation. The independent valuation is not binding on the IRS. If the IRS were to successfully challenge this valuation, and find that the value of these assets exceeds 60% of the value of Altisource, then Ocwen would not be permitted to offset gain recognized on the transfer of these assets to Altisource with net operating losses, tax credits or other tax attributes. This could materially increase the tax cost to Ocwen of the Separation. If the IRS were to successfully challenge this valuation and find that the value of these assets exceeded 80% of the value of Altisource, then instead of recognition of gain on the transfer of the assets to Altisource, Altisource would be treated as a U.S. domestic corporation. As such, without further changes to the Code or to its legal structure, Altisource would pay income taxes in both the U.S. and Luxembourg with no deduction or credit for taxes paid to the other country. This would have a material adverse impact on Altisource's worldwide tax expense.

Also in response to this new IRS regulation, the Company added the following discussion in the section entitled, "The Separation". This discussion appears on page 33 of the amended information statement:

On June 10, 2009, the IRS issued new regulations under Section 7874 of the Code. The IRS further indicated that it intends to issue additional regulations with respect to transactions where a U.S. corporation contributes assets, including subsidiary equity interests, to a foreign corporation and distributes the shares of such corporation, as in the Separation. Our understanding of the IRS's plans regarding these forthcoming regulations is that they would apply to the Separation only if the value of assets held by Ocwen's corporate or partnership subsidiary entities (either currently, or those that were distributed from such entities as part of the plan encompassing the Separation) exceeds, in the aggregate, 60% of the value of Altisource when contributed to Altisource. It is not certain, however, what these regulations will provide for once adopted. Prior to completing the Separation, Ocwen's board of directors will require Ocwen and Altisource to receive a valuation from an independent valuation firm that will

enable the Company to determine whether the value of these assets is less than 60% of the value of Altisource. Because we believe the value of these assets does not exceed the 60% threshold, as we expect to be confirmed by information we derive from the independent valuation, we do not believe that Code Section 7874 applies to the Separation. Neither our valuation nor the independent valuation is binding on the IRS. If the IRS were to successfully challenge this valuation, and find that the value of these assets exceeds 60% of the value of Altisource, then Ocwen would not be permitted to offset gain recognized on the transfer of these assets to Altisource with net operating losses, tax credits or other tax attributes. This could materially increase the tax cost to Ocwen of the Separation. If the IRS were to successfully challenge this valuation and find that the value of these assets exceeded 80% of the value of Altisource, then instead of recognition of gain on the transfer of the assets to Altisource, Altisource would be treated as a U.S. domestic corporation. As such, without further changes to the Code or to its legal structure, Altisource would pay income taxes in both the U.S. and Luxembourg with no deduction or credit for taxes paid to the other country. This would have a material adverse impact on Altisource's worldwide tax expense.

\*\*\*\*\*

On June 23, 2009, the Company decided to terminate the revolving credit facility secured by NCI's accounts receivable. The Company made such determination after considering our operating cash flows year-to-date, our desire to have complete operational flexibility and the administrative costs of maintaining the facility. We continue to believe we have sufficient operating cash flows to finance our operations for at least the next twelve months; however, if necessary, we also believe we have reasonable, cost effective access to debt and capital markets.

We have amended our Form 10 to reflect the termination of the facility on pages 56, 57 and F-29. The disclosure on page 56 is as follows:

In June 2009, the Company terminated its existing revolving credit facility after considering its positive operating cash flows year-to-date and the administrative costs of maintaining the facility. We continue to believe that the Company has sufficient operating cash flows and, if necessary, access to debt markets at reasonable costs as well as equity markets (subject to the limitations described above) to finance our operations for at least the next twelve months even without this credit facility.

\*\*\*\*\*

The Company further advises the Staff that it expects to enter into an additional agreement with Ocwen upon the Separation. The Company has added a "Data Center and Disaster Recovery Services Agreement" to the list of agreements described on pages 37, 46, 62 and F-9 and the form of the agreement as Exhibit 10.7 to the Form 10.

\*\*\*\*\*

In connection with this response letter, the Company acknowledges that:

- the Company is responsible for the adequacy and accuracy of the disclosure in the filings;
- Staff comments or changes to disclosure in response to Staff comments do not foreclose the Commission from taking any action with respect to the filings; and

• the Company may not assert Staff comments as a defense in any proceeding initiated by the Commission or any person under the federal securities laws of the United States.

If you have any questions regarding the Amendment or the responses contained in this letter, please call the undersigned at 407.737.5419.

Sincerely,

/s/ Robert D. Stiles

Robert D. Stiles

Chief Financial Officer

cc: William B. Shepro, Chief Executive Officer  
Kevin J. Wilcox, Chief Administrative Officer & General Counsel  
David J. Gunter, Executive Vice President and Chief Financial Officer, Ocwen Financial Corporation  
Paul S. Scrivano, O'Melveny & Myers LLP  
Stephen S. Walker, PricewaterhouseCoopers LLP

**Thinking Ahead. Delivering Today.™**