

**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 ASSET MANAGEMENT CORPORATION**

(Exact name of registrant as specified in its charter)

**United States Virgin Islands**  
(State or other jurisdiction of  
incorporation or organization)

**66-0783125**  
(I.R.S. employer  
identification number)

**402 Strand St.**  
**Frederiksted, United States Virgin Islands 00840-3531**  
(Address of principal executive offices)

Registrant's telephone number, including area code:  
**(340) 692-1055**

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

<u>Title of each class</u>	<u>Name of each exchange on which each class is to be registered</u>
Common Stock, \$0.01 par value per share	[ ]

Securities to be registered pursuant to Section 12(b) 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 definition of "large accelerated filer," "accelerated filer," "non-accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

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

**ALTISOURCE ASSET MANAGEMENT CORPORATION**

**Cross-Reference Sheet Between the Information Statement and Item 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.

<u>Item No.</u>	<u>Caption</u>	<u>Location in Information Statement</u>
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" and "Forward-Looking Statements"
2.	Financial Information	See "Summary," "Risk Factors" and "Management's Discussion and Analysis"

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 Altisource 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 Stockholder 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,” and “Index to 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

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(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) Financial Statements of Altisource Asset Management Corporation including Report of Independent Registered Certified Public Accounting Firm.

(b) Exhibits. The following documents are filed as exhibits hereto.

Exhibit Number	Exhibit Description
2.1 <sup>^</sup>	Form of Separation Agreement between Altisource Asset Management Corporation and Altisource Portfolio Solutions S.A.
3.1 <sup>*</sup>	Articles of Incorporation of Altisource Asset Management Corporation.
3.2 <sup>*</sup>	Certificate of Amendment (Articles of Incorporation) of Altisource Asset Management.
3.3 <sup>*</sup>	Second Certificate of Amendment (Articles of Incorporation) of Altisource Asset Management Corporation.
3.4 <sup>*</sup>	Bylaws of Altisource Asset Management Corporation.
10.1 <sup>^</sup>	Form of Support Services Agreement between Altisource Asset Management Corporation and Altisource Solutions S.à r.l.
10.2 <sup>^</sup>	Form of Tax Matters Agreement between Altisource Asset Management Corporation and Altisource Solutions S.à r.l.
10.3 <sup>^</sup>	Form of Asset Management Agreement between Altisource Asset Management Corporation and Altisource Residential Corporation.
10.4 <sup>^</sup>	Form of Trademark License Agreement between Altisource Asset Management Corporation and Altisource Solutions S.à r.l.
10.5 <sup>^</sup>	Form of Asset Management Agreement between Altisource Asset Management Corporation and NewSource Reinsurance Company Ltd.
10.6 <sup>^</sup>	Form of Shareholders’ Agreement among Altisource Asset Management Corporation, Altisource Residential Corporation and NewSource Reinsurance Company Ltd.
10.7 <sup>^</sup>	Form of Title Services Agreement between NewSource Reinsurance Company Ltd. and Altisource Solutions S.à r.l.

- 10.8^ Form of Management Agreement between NewSource Reinsurance Company Ltd. and Marsh IAS Management Services (Bermuda) Ltd.
- 10.9^ Form of Technology Products and Services Agreement between Altisource Asset Management Corporation and Altisource Solutions S.à r.l.
- 99.1 Preliminary Information Statement of Altisource Asset Management Corporation, subject to completion, dated [ ], 2012.

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\* To be filed by amendment.  
^ Filed herewith.

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### 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 Asset Management Corporation

By: /s/ William C. Erbey

Name: William C. Erbey

Title: Chairman

Dated: November 1, 2012

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## SEPARATION AGREEMENT

By and Between

ALTISOURCE PORTFOLIO SOLUTIONS S.A.

and

ALTISOURCE ASSET MANAGEMENT CORPORATION

Dated as of [ ], 2012

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## **SCHEDULE I SEPARATION TRANSACTIONS**

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### SEPARATION AGREEMENT

SEPARATION AGREEMENT, dated as of [ ], 2012, between ALTISOURCE PORTFOLIO SOLUTIONS S.A., a public limited liability company organized under the laws of the Grand Duchy of Luxembourg (“ALTISOURCE”) and ALTISOURCE ASSET MANAGEMENT CORPORATION, a U.S. Virgin Islands corporation and a subsidiary of ALTISOURCE) (“AAMC”). 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 ALTISOURCE has determined that it is in the best interests of ALTISOURCE and its shareholders to have the ALTISOURCE Business operate separately from the AAMC Business, to contribute the AAMC Business to AAMC, and to distribute all of the outstanding capital stock of AAMC to the shareholders of ALTISOURCE;

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

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

“AAMC Business” means the business and operations of AAMC and its Subsidiaries conducted (i) prior to the Separation, by ALTISOURCE and certain members of the ALTISOURCE Group, and (ii) from and after the Separation, by the AAMC Group, including the businesses contributed by ALTISOURCE to AAMC pursuant to Article II.

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

“AAMC Employees” has the meaning set forth in Section 3.01.

“AAMC Group” means AAMC and any Subsidiary of AAMC immediately after the Distribution, if any.

“AAMC Indemnitees” has the meaning set forth in Section 6.03.

“AAMC Stock Options” has the meaning set forth in Section 3.04(a).

“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.

“Adjusted ALTISOURCE Stock Options” has the meaning set forth in Section 3.04(a).

“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 appointed by ALTISOURCE to distribute the shares of AAMC Common Stock held by ALTISOURCE pursuant to the Distribution.

“Agreement” means this Separation Agreement.

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

“ALTISOURCE Business” means (a) the business and operations of ALTISOURCE and its Subsidiaries and other Affiliates immediately after the Distribution and (b) except as otherwise expressly provided herein, any terminated, divested or discontinued businesses or operations of ALTISOURCE and its Subsidiaries and other Affiliates.

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

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

“ALTISOURCE Indemnitees” has the meaning set forth in Section 6.02.

“ALTISOURCE Stock Options” has the meaning set forth in Section 3.04(a).

“Ancillary Agreements” means the Services Agreement, the Tax Matters Agreement, the License Agreement, the Technology Products and Services Agreement 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, and other tangible personal property;
- (c) 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;
- (d) 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;
- (e) 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;
- (f) all letters of credit, performance bonds and other surety bonds;
- (g) 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;
- (h) 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;
- (i) all computer applications, programs and other software, including operating software, network software, firmware, middleware, design software, design tools, systems documentation, manuals and instructions;
- (j) 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

(k) all prepaid expenses, trade accounts and other accounts and notes receivables;

(l) 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;

(m) all rights under insurance policies and all rights in the nature of insurance, indemnification or contribution;

(n) all licenses (including radio and similar licenses), permits, approvals and authorizations that have been issued by any Governmental Authority;

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

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

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

“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.

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

“Distribution Date” means the date determined in accordance with Section 4.02 on which the Distribution occurs.

“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.

“Existing AAMC Plans” has the meaning set forth in Section 3.01.

“Existing ALTISOURCE Plans” has the meaning set forth in Section 3.01.

“Form 10” means the registration statement on Form 10 filed by AAMC with the Commission to effect the registration of AAMC 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.

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

“Indemnifying Party” has the meaning set forth in Section 6.05(a).

“Indemnitee” has the meaning set forth in Section 6.05(a).

“Indemnity Payment” has the meaning set forth in Section 6.05(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 sent to each Record Holder in connection with the Distribution.

“Insurance Policies” means the insurance policies written by insurance carriers, including those (if any) affiliated with ALTISOURCE, pursuant to which AAMC 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

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(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.

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

“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.

“License Agreement” means the Trademark License Agreement to be entered into between Solutions and AAMC.

“OTC” means the OTC market.

“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.

“Post-Distribution Stock Options” has the meaning set forth in Section 3.04(a).

“Record Date” means the close of business on the date determined by the ALTISOURCE board of directors as the record date for determining the shares of ALTISOURCE Common Stock.

“Record Holders” means holders of record as of the Record Date of all of the shares of ALTISOURCE Common Stock that were outstanding on the Record Date.

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“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 Agreement” means the Support Services Agreement dated as of the Distribution Date between Solutions and AAMC.

“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 AAMC or any other member of the AAMC 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 Solutions and AAMC.

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

“Technology Products and Services Agreement” means the Technology Products and Services Agreement dated as of the Distribution Date between Solutions and AAMC.

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

“Transaction Indemnitees” has the meaning set forth in Section 6.04.

“Transaction Third Party Claim” has the meaning set forth in Section 6.04.

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

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## ARTICLE II

### The Separation

Section 2.01 Separation Transactions. On or prior to the Distribution Date, ALTISOURCE shall, and shall cause AAMC and each other Subsidiary and controlled Affiliate of ALTISOURCE to, effect each of the transactions and Transfers set forth on Schedule I, which transactions and Transfers shall be accomplished substantially in the order described on and subject to the limitations set forth on Schedule I, in each case, with such modifications, if any, as ALTISOURCE shall determine are necessary or desirable for efficiency or similar purposes.

Section 2.02 Certain Agreements Govern. Each of ALTISOURCE and AAMC agrees on behalf of itself and its Subsidiaries that the provisions of the Tax Matters Agreement shall exclusively govern the allocation of Assets and Liabilities related to Taxes.

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

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(b) 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 AAMC Business but which are held in the name of ALTISOURCE or any of its Subsidiaries (other than AAMC or any of its Subsidiaries), or any of their respective employees, officers, directors, stockholders, agents, or otherwise, on behalf of AAMC (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 ALTISOURCE to AAMC (or its Subsidiaries).

Section 2.06 Intentionally Omitted.

Section 2.07 Disclaimer of Representations and Warranties. Each of ALTISOURCE (on behalf of itself and each other member of the ALTISOURCE Group) and AAMC (on behalf of itself and each other member of the AAMC 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.

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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 ALTISOURCE, 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 ALTISOURCE, 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 ALTISOURCE, 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 ALTISOURCE, 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

Employee Matters

Section 3.01 General Allocation of Assets and Liabilities for Existing Plans. Except as otherwise specifically provided herein, from and after the Distribution, (a) 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 or any of its Subsidiaries (other than AAMC and its Subsidiaries) immediately prior to the Distribution (collectively, the “Existing ALTISOURCE Plans”) and (b) AAMC shall retain, or shall cause the applicable other members of the AAMC 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 AAMC or any of its Subsidiaries immediately prior to the Distribution, if any (collectively, the “Existing AAMC Plans”).

Section 3.02 Cessation of Participation in ALTISOURCE Plans. Except as otherwise expressly provided herein, as of the Distribution, each employee of AAMC or any of its Subsidiaries (whether or not on disability or any other leave of absence), after giving effect to

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the Distribution, (collectively, the “AAMC Employees”) shall immediately cease to be eligible for and participate actively in any Existing ALTISOURCE Plan.

Section 3.03 Adoption of New AAMC Plans. Except as otherwise expressly provided herein, in connection with the Distribution, AAMC shall provide, or shall cause to be provided, compensation and employee benefits to the AAMC Employees under one or more existing or newly adopted employee benefit plans, programs or arrangements. Except as otherwise expressly provided herein, AAMC shall be solely responsible for all Liabilities arising out of or relating to such plans, programs and arrangements.

Section 3.04 Stock Options. (a) Subsequent to the effectiveness of the Form 10, but prior to the consummation of the Distribution, and subject to the consummation of the Distribution, each option to purchase ALTISOURCE Common Stock (“ALTISOURCE Stock Options”) granted and outstanding under the 2009 Equity Incentive Plan of ALTISOURCE (“ALTISOURCE Option Plan”) shall remain granted and outstanding and shall not, and ALTISOURCE shall cause (to the maximum extent permitted under the ALTISOURCE Option Plan) the ALTISOURCE 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 the following, determined in a manner in accordance with, and subject to, the ALTISOURCE Option Plan, FAS123R and Section 409A of the Code: (i) an option to acquire a number of shares of AAMC Common Stock equal to the product of (x) the number of shares of ALTISOURCE Common Stock subject to the ALTISOURCE Stock Option held by such holder on the Distribution Date and (y) the distribution ratio of one (1) share of AAMC Common Stock for every ten (10) shares of ALTISOURCE Common Stock (the “AAMC Stock Options”), with an exercise price to be determined in a manner consistent with this Section 3.04 and (ii) the adjustment of the exercise price of such holder’s ALTISOURCE Stock Option, to be determined in a manner consistent with this Section 3.04 (the “Adjusted ALTISOURCE Stock Options”) (the AAMC Stock Options and the Adjusted ALTISOURCE Stock Options, together, the “Post-Distribution Stock Options”).

(b) The option exercise price of the AAMC Stock Options and the Adjusted ALTISOURCE Stock Options shall be set in accordance with Treasury Regulation Section 1.409A-1(b)(5)(v)(D), to maintain the intrinsic value of the ALTISOURCE Stock Options as of the Distribution Date, and

to maintain the ratio of exercise price to fair market value of the ALTISOURCE Stock Options and the Post-Distribution Stock Options.

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

Section 3.05 Form S-8. Subsequent to the effectiveness of the Form 10, but prior to the consummation of the Distribution, AAMC shall prepare and file with the Commission a registration statement on Form S-8 (or another appropriate form) registering a number of shares of AAMC Common Stock equal to the number of shares subject to the options

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to purchase AAMC Common Stock resulting from the actions contemplated in Section 3.04 above and under any new equity incentive or similar plan. AAMC 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 such options to purchase AAMC Common Stock may remain outstanding.

Section 3.06 Section 16. The Parties shall take all reasonable steps as may be required to cause the transactions contemplated by this Article III and any other acquisitions of AAMC equity securities (including derivative securities) or dispositions of ALTISOURCE equity securities (including derivative securities) in connection with this Agreement by each individual who is a director or officer of ALTISOURCE or AAMC subject to Section 16 of the Exchange Act to be exempt under Rule 16b-3 promulgated under the Exchange Act.

#### ARTICLE IV

##### Actions Pending the Distribution

Section 4.01 Actions Prior to the Distribution. (a) Subject to Section 4.02 and Section 5.02, ALTISOURCE and AAMC shall use reasonable efforts to consummate the Distribution, including by taking the actions specified in this Section 4.01.

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

(c) AAMC shall use reasonable efforts to take all such action, if any, as may be necessary or appropriate to have the AAMC Common Stock quoted on the OTC prior to the Distribution Date.

(d) ALTISOURCE and AAMC 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) ALTISOURCE and AAMC 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.

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

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

Section 4.02 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 ALTISOURCE, of the following conditions:

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(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 AAMC Common Stock shall be quoted on the OTC or a national securities exchange, subject to official notice of issuance.

(d) The Separation shall have been completed.

(e) 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.

(f) 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 ALTISOURCE shall have occurred or failed to occur that prevents the consummation of the Separation or the Distribution.

(g) 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 ALTISOURCE Business or AAMC Business after the Separation or the Distribution; or seeking material damages from either ALTISOURCE or AAMC.

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

(i) The actions set forth in Section 4.01(b), 4.01(d), Section 4.01(f), and Section 4.01(g) shall have been completed.

The foregoing conditions are for the sole benefit of ALTISOURCE and shall not give rise to or create any duty on the part of ALTISOURCE or the ALTISOURCE board of directors to waive or not waive such conditions or in any way limit the right of ALTISOURCE 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 ALTISOURCE board of directors prior to the Distribution concerning the satisfaction or waiver of any or all of the conditions set forth in this Section 4.02 shall be conclusive.

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## ARTICLE V

### The Distribution

Section 5.01 The Distribution. (a) AAMC shall cooperate with ALTISOURCE to accomplish the Distribution and shall, at the direction of ALTISOURCE, promptly take any and all actions necessary or desirable to effect the Distribution. ALTISOURCE 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 ALTISOURCE. ALTISOURCE and AAMC, as the case may be, will provide, or cause the applicable member of its Group to provide, to the Agent all share certificates, if any, 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, ALTISOURCE shall deliver to the Agent for the benefit of the Record Holders all the issued and outstanding shares of AAMC Common Stock then owned by ALTISOURCE or any other member of the ALTISOURCE Group and book-entry transfer authorizations for such shares and (ii) on the Distribution Date, ALTISOURCE shall instruct the Agent to distribute, with respect to Record Holders, 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 AAMC Common Stock for every ten (10) shares of ALTISOURCE Common Stock held by such Record Holder, subject to Section 5.01(c) below. It is the intent of the foregoing that the Distribution be effected on a pro rata, as if converted basis. 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 AAMC 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 ALTISOURCE Common Stock and that is the registered holder of the shares represented by those certificates (including the amount of cash in lieu of fractional shares as provided in Section 5.01(c) below).

(c) Record Holders who, after aggregating the number of shares of AAMC Common Stock (or fractions thereof) to which such Record Holder would be entitled on the Record Date, would be entitled to receive a fraction of a share of AAMC Common Stock in the Distribution, will receive cash in lieu of fractional shares. Fractional shares of AAMC 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 AAMC Common Stock allocable to each Record Holder, (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 AAMC Common Stock after making appropriate deductions for any amount required to be withheld for United States federal income tax purposes. ALTISOURCE 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 ALTISOURCE,

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AAMC or the applicable Agent will guarantee any minimum sale price for the fractional shares of AAMC Common Stock. Neither ALTISOURCE nor AAMC 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 ALTISOURCE or AAMC. Any AAMC Common Stock or cash in lieu of fractional shares with respect to AAMC Common Stock that remains unclaimed by any holder of record one hundred-eighty (180) days after the Distribution Date shall be delivered to AAMC. AAMC shall hold such AAMC Common Stock and/or cash for the account of such holder of record and any such holder of record shall look only to AAMC for such AAMC 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 5.02 Sole Discretion of ALTISOURCE. ALTISOURCE 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, ALTISOURCE 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 VI

### Mutual Releases; Indemnification

Section 6.01 Release of Pre-Closing Claims. (a) Except as provided in Section 6.01(c), effective as of the Distribution Date, AAMC does hereby, for itself and each other member of the AAMC 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 AAMC Group (in each case, in their respective capacities as such), release and forever discharge ALTISOURCE and the other members of the ALTISOURCE Group, their respective Affiliates (other than any member of the AAMC 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.

(b) Except as provided in Section 6.01(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 AAMC Group), successors and

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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 AAMC, the other members of the AAMC 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 AAMC 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 6.01(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 6.01(a) or (b) shall release any Person from:

(i) any Liability provided in or resulting from any agreement among any members of the ALTISOURCE Group or the AAMC 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 VI 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 6.01.

In addition, nothing contained in Section 6.01(a) shall release ALTISOURCE from honoring its existing obligations to indemnify any director, officer or employee of AAMC or any of its Subsidiaries on or prior to the Distribution Date who was a director, officer or employee of ALTISOURCE 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

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ALTISOURCE or any of its Subsidiaries and was entitled to such indemnification pursuant to then existing obligations.

(d) AAMC shall not make, and shall not permit any other member of the AAMC 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 6.01(a), with respect to any Liabilities released pursuant to Section 6.01(a). ALTISOURCE shall not, 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 AAMC or any other member of the AAMC Group, or any other Person released pursuant to Section 6.01(b), with respect to any Liabilities released pursuant to Section 6.01(b).

(e) It is the intent of each of ALTISOURCE and AAMC, by virtue of the provisions of this Section 6.01, 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 AAMC or any other member of the AAMC Group, on the one hand, and ALTISOURCE or any other member of the ALTISOURCE 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 6.01(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 6.02 Indemnification by AAMC. Except as provided in Section 6.05, AAMC 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 AAMC Business, including the failure of AAMC or any other member of the AAMC Group or any other Person to pay, perform or otherwise promptly discharge any Liability relating to, arising out of or resulting from the AAMC Business in accordance with its terms, whether prior to or after the Distribution Date or the date hereof; and

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

Section 6.03 Indemnification by ALTISOURCE. Except as provided in Section 6.05, ALTISOURCE shall indemnify, defend and hold harmless AAMC, each other member of the AAMC 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 “AAMC Indemnitees”), from and against any and all Liabilities of the AAMC

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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, 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 6.04 Indemnification of Third Party Claims. Except as provided in Section 6.05 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 6.05 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 VI 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 Insurance Proceeds 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

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Agreement shall obligate any member of any Group to seek to collect or recover any Insurance Proceeds.

Section 6.06 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 6.02, Section 6.03 or Section 6.04 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 6.06(a) shall not relieve the related Indemnifying Party of its obligations under this Article VI, 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 6.04) 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 6.06(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 6.04) 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 6.06(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 6.06(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 6.04).

(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.

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(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 6.06 (other than this Section 6.06(g)) and Section 6.07 shall not apply to Taxes (which are covered by the Tax Matters Agreement).

Section 6.07 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 6.08 Remedies Cumulative. The remedies provided in this Article VI shall be cumulative and, subject to the provisions of Article IX, 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 6.09 Survival of Indemnities. The rights and obligations of each of ALTISOURCE and AAMC and their respective Indemnitees under this Article VI shall survive the sale or other transfer by any party of any assets or businesses or the assignment by it of any Liabilities.

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Section 6.10 Limitation on Liability. Except as may expressly be set forth in this Agreement or any Ancillary Agreement, none of ALTISOURCE, AAMC 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 ALTISOURCE Indemnitee or AAMC 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 ALTISOURCE Group or the AAMC Group for any incidental, indirect, special, punitive or consequential damages.

## ARTICLE VII

### Exchange of Information; Confidentiality

Section 7.01 Agreement for Exchange of Information; Archives. (a) Each of ALTISOURCE and AAMC, 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 ALTISOURCE and AAMC shall have access during regular business hours (as in effect from time to time) to the documents that relate, in the case of ALTISOURCE, to the ALTISOURCE Business that are located in archives retained or maintained by AAMC or, in the case of AAMC, to the AAMC Business that are located in archives retained or maintained by ALTISOURCE. Each of ALTISOURCE and AAMC 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 ALTISOURCE and AAMC 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 ALTISOURCE

Group or AAMC Group to any such documents or objects or to impose any liability on any member of the ALTISOURCE Group or the AAMC Group, as applicable, if any such documents are not maintained or preserved by ALTISOURCE or AAMC, as applicable.

(c) Until the sixth anniversary of the date hereof, each of ALTISOURCE and AAMC (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 7.02 Ownership of Information. Any Information owned by one Group that is provided to a requesting Party pursuant to Section 7.01 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 7.03 Compensation for Providing Information. Except as set forth in Section 7.01(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 7.04 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 7.01.

Section 7.05 Other Agreements Providing for Exchange of Information. The rights and obligations granted under this Article VII 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 7.06 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 VII, 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 Licensed Mark or Licensed Trade Name (as such terms are defined in the License Agreement), including any claim of infringement of any mark using the word "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 7.06 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 7.06(a)).

(e) In connection with any matter contemplated by this Section 7.06, 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 7.07 Confidentiality. (a) Subject to Section 7.08, each of ALTISOURCE and AAMC, 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 ALTISOURCE 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 7.07(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 7.08. 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 7.08 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 VIII

### Dispute Resolution

Section 8.01 Disputes. Subject to Section 11.12 and except as otherwise specifically provided in any Ancillary Agreement, the procedures for discussion, negotiation and mediation set forth in this Article VIII 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 ALTISOURCE Group, on the one hand, and any members of the AAMC Group, on the other hand.

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Section 8.02 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 8.02(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 8.03 Court Actions. (a) In the event that either Party, after complying with the provisions set forth in Section 8.02, 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 VIII with respect to all matters not subject to such dispute, controversy or claim.

## ARTICLE IX

### Further Assurances and Additional Covenants

Section 9.01 Further Assurances. (a) In addition to the actions specifically provided for elsewhere in this Agreement, each of the Parties shall, subject to Section 4.02 and

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Section 5.02, 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, ALTISOURCE and AAMC, 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 AAMC or any other Subsidiary of ALTISOURCE, as the case may be, to effect the transactions contemplated by this Agreement.

(d) 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 9.02 Insurance Matters. (a) ALTISOURCE and AAMC 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 ALTISOURCE, any other member of the ALTISOURCE Group or any ALTISOURCE Indemnitee have liability or obligation whatsoever to any member of the AAMC Group or any AAMC 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 AAMC Group or any AAMC Indemnitee for any reason whatsoever or shall not be renewed or extended beyond the current expiration date.

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## ARTICLE X

### Termination

Section 10.01 Termination. This Agreement may be terminated by ALTISOURCE at any time, in its sole discretion, prior to the Distribution Date.

Section 10.02 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 XI

### Miscellaneous

Section 11.01 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) ALTISOURCE represents on behalf of itself and each other member of the ALTISOURCE Group, and AAMC represents on behalf of itself and each other member of the AAMC 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 11.02 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

board of directors attendant to the declaration and payment of the dividend of the AAMC Common Stock, which shall be governed by the laws of Luxembourg). Notwithstanding the foregoing, in the event that a court of competent jurisdiction determines that the choice of New York law is unenforceable, this Agreement shall be governed by the laws of the U.S. Virgin Islands.

Section 11.03 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 11.04 Third Party Beneficiaries. Except for the indemnification rights under this Agreement of any ALTISOURCE Indemnitee or AAMC 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. Without limiting the generality of the foregoing, 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 ALTISOURCE Group or any member of the AAMC 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 ALTISOURCE Group or any member of the AAMC 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 ALTISOURCE Group or any member of the AAMC 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 ALTISOURCE Group or any member of the AAMC Group to continue the employment of any employee of any member of the ALTISOURCE Group or any member of the AAMC Group for any specific period of time following the Distribution Date.

Section 11.05 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 ALTISOURCE, to:

Altisource Portfolio Solutions S.A.  
291, Route d'Arlon  
L-1150 Luxembourg  
Attn: Corporate Secretary  
Fax No.: 352-2744-9499

If to AAMC to:

Altisource Asset Management Corporation  
14A & 14C Strand Street  
Frederiksted, VI 00840  
Attn: Corporate Secretary  
Fax No.: 770-644-7420

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

Section 11.06 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 11.07 Publicity. Prior to the Distribution, each of AAMC and ALTISOURCE 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 11.08 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 ALTISOURCE.

Section 11.09 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 11.10 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 11.11 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 11.12 Specific Performance. Subject to Section 5.02 and notwithstanding the procedures set forth in Article VIII, 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 11.13 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 11.14 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 11.14 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 11.15 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. Notwithstanding the foregoing, in the event that a court of competent jurisdiction determines that the choice of New York jurisdiction in accordance with this Section 11.15 is unenforceable, any action or proceeding arising out of or relating to this Agreement or any Ancillary Agreement shall be brought in the courts of the U.S. Virgin Islands.

Section 11.16 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.

ALTISOURCE PORTFOLIO SOLUTIONS S.A.

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

Title:

ALTISOURCE ASSET MANAGEMENT CORPORATION

By \_\_\_\_\_

Name:

Title:

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

1. Solutions dividends 100% of its equity interest in AAMC to ALTISOURCE.
  2. ALTISOURCE contributes to AAMC all of the assets making up the business of AAMC prior to the AAMC separation.
  3. ALTISOURCE dividends 100% of its equity interest in AAMC to the shareholders of record of ALTISOURCE.
  4. ALTISOURCE contributes \$[ ] to AAMC.
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**SUPPORT SERVICES AGREEMENT**, dated as of [ ], 2012, by and between ALTISOURCE SOLUTIONS S.à r.l., a private limited liability company organized under the laws of the Grand Duchy of Luxembourg (“ALTISOURCE” or together with its Affiliates “ALTISOURCE Group”) and ALTISOURCE ASSET MANAGEMENT CORPORATION, a corporation organized under the laws of the U.S. Virgin Islands (“AAMC” or together with its Affiliates “AAMC Group”).

## RECITALS

WHEREAS, Altisource Portfolio Solutions S.A., the sole parent of ALTISOURCE (“ALTISOURCE Parent”), and AAMC are parties to a Separation Agreement dated as of [ ], 2012 (the “Separation Agreement”), pursuant to which ALTISOURCE Parent will (i) contribute the AAMC Business (as defined in the Separation Agreement) and (ii) distribute (the “Distribution”) to the holders of shares of ALTISOURCE Parent’s outstanding capital stock all of the outstanding capital stock of AAMC;

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

WHEREAS, following the Distribution, AAMC desires to receive, and ALTISOURCE is willing to provide, or cause to be provided, certain services in connection with the AAMC Business 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.

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

“Distribution Date” means the effective date of the Distribution.

“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.

“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 the services set forth on Schedule I and the SOWs related thereto.

“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.

“Term” means, collectively, the Initial Term and any Renewal Term hereof.

### 2. Provision of Services.

(a) *Generally.* Subject to the terms and conditions of this Agreement, ALTISOURCE shall provide, or cause to be provided, to AAMC and the AAMC Group, solely for the benefit of the AAMC Business in the ordinary course of business, the Services for periods commencing on the Distribution Date through the respective period specified in 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 provided as 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: (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 ALTISOURCE and AAMC, 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 ALTISOURCE and AAMC 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 ALTISOURCE and the ALTISOURCE Group, on the one hand, and AAMC and the AAMC 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 AAMC Business 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 (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 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 "Commingled Invoice"), shall be separated by the Providing Party. The Providing Party shall prepare a statement indicating that portion of the invoiced amount of such Commingled Invoice that is attributable to Services or the Ancillary Services rendered for the benefit of Receiving Party and its Group (the "Commingled Invoice Statement"). The Providing Party shall deliver such Commingled Invoice Statement and a copy of the Commingled Invoice to Receiving Party. The Receiving Party shall, within 30 days after the date of delivery to the Receiving Party of such Commingled Invoice Statement, pay or cause to be paid the amount set forth on such Commingled 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(c)(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 portion of any Commingled Invoice that the Receiving Party is required to pay pursuant to any Commingled Invoice Statement.

#### 5. Term; Termination.

(a) *Initial Term.* The initial term of this Agreement shall commence on the Distribution Date and shall continue in full force and effect subject to Section 5(c) hereof until the date that is two (2) years from the Distribution Date (the "Initial Term"), or the earlier date upon which this Agreement has been otherwise terminated in accordance with Section 5(c) hereof.

(b) *Renewal Term.* This Agreement will automatically renew for successive terms of one (1) year (each, a "Renewal Term") unless either Party decides that it does not wish to renew this Agreement or any particular Service or Additional Services set forth on a SOW hereunder before the expiration of the Initial Term or any Renewal Term, as applicable, by notifying the other Party in writing at least six (6) months before the completion of the Initial Term or Renewal Term, as applicable.

(c) *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.

(d) Upon the early termination of any Service pursuant to Section 5(c)(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.

(e) 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.

(f) 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.

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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 ALTISOURCE shall be William B. Shepro and the initial Relationship Executive designated by AAMC shall be Ashish Pandey. 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

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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

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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 Support Services Agreement to be executed as of the date first written above by their duly authorized representatives.

**ALTISOURCE SOLUTIONS S.À R.L.**

By \_\_\_\_\_  
Name: William B. Shepro  
Title: Manager

**ALTISOURCE ASSET MANAGEMENT CORPORATION**

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

[SUPPORT SERVICES AGREEMENT - AAMC]

**SCHEDULE I**

**SERVICES**

<u>Services Provided</u>	<u>Service Period (months)</u>	<u>Service Fee</u>
<b>FINANCE AND ACCOUNTING</b> <u>Services Provided:</u> · Corporate Accounting · Accounting Services and Reporting · Accounts Payables · Accounts Receivables · Corporate Secretary Support · Financial Reporting · Payroll Services · Tax · Treasury	24	Fully Allocated Cost of providing services.
<b>HUMAN RESOURCES</b> <u>Services Provided:</u> · Benefits Administration · Employee and Contractor On-boarding	24	Fully Allocated Cost of providing services.

- Employee Engagement
- HR Administration
- HR Strategy and Consulting
- HRIS Administration and Reporting
- Performance Management Platforms
- Personnel Files
- Recruiting
- Salary Administration
- Training and Compliance Support

<u>Services Provided</u>	<u>Service Period (months)</u>	<u>Service Fee</u>
<b>LAW</b>	24	Fully allocated cost of providing services.
<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>		
<b>RISK MANAGEMENT AND SIX SIGMA</b>	24	Fully Allocated Cost of providing services.
<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> <li>· Information Security</li> <li>· Loan Quality</li> <li>· Quality Assurance</li> <li>· Risk Management</li> <li>· Six Sigma</li> </ul>		
<b>CONSUMER PSYCHOLOGY</b>	24	Fully Allocated Cost of providing services.
<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>		

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

## TAX MATTERS AGREEMENT

By and Between

ALTISOURCE SOLUTIONS S.À R.L.

and

ALTISOURCE ASSET MANAGEMENT CORPORATION

Dated as of [ ], 2012

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**TAX MATTERS AGREEMENT** (this “Agreement”) entered into as of [ ], 2012, by and between ALTISOURCE SOLUTIONS S.À R.L., a private limited liability company organized under the laws of the Grand Duchy of Luxembourg (including its parent, “Altisource”) and ALTISOURCE ASSET MANAGEMENT CORPORATION, a corporation organized under the laws of the U.S. Virgin Islands and a wholly-owned subsidiary of Altisource (“AAMC”).

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

WHEREAS, as of the date hereof, Altisource is the common parent of an affiliated group of corporations, including AAMC;

WHEREAS, Altisource and AAMC have entered into the Separation Agreement (as defined below).

WHEREAS, Altisource intends to distribute to shareholders of Altisource all the outstanding shares of AAMC Capital Stock (as defined below); 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 (as defined below), 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:

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

“AAMC Business” means the asset management business, as defined in the Separation Agreement.

“AAMC Capital Stock” means all classes or series of capital stock of AAMC, including (i) the AAMC Common Stock, and (ii) all options, warrants and other rights to acquire such capital stock.

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

“AAMC Common Stock” has the meaning set forth in the Separation Agreement.

“AAMC Group” means AAMC and its Subsidiaries, if any, as determined immediately after the Distribution.

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

“Accountant” shall have the meaning set forth in Section 6.02(b).

“Adjusted Party” shall have the meaning set forth in Section 5.02(b).

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

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

“Ancillary Agreements” means the Transition Services Agreement, the Tax Matters Agreement, the Services Agreement 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 XIII.

“Closing Date” means the date of the Distribution.

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

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

“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 increase the tax cost to Altisource or its shareholders of the Distribution.

“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 Altisource Group or the AAMC Group, or both, as the context requires.

“High-Level Dispute” means any dispute or disagreement in which the amount of the liability in dispute exceeds \$2 million.

“Indemnatee” shall have the meaning set forth in Section 11.03.

“Indemnitor” shall have the meaning set forth in Section 11.03.

“IRS” means the United States Internal Revenue Service.

“Past Practices” shall have the meaning set forth in Section 3.04(a).

“Payment Date” means (i) with respect to any Altisource 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.

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“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 AAMC Group, begins after the Closing Date.

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

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

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

“Separation Agreement” means the Separation Agreement by and between Altisource and AAMC dated as of [ ], 2012.

“Signing Group” shall have the meaning set forth in Section 6.03.

“Supplier Group” shall have the meaning set forth in Section 6.03.

“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 XII.

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

“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.

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“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 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 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 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 and the other transactions contemplated by the Separation Agreement.

## ARTICLE II

### Allocation of Tax Liabilities

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

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

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SECTION 2.02 Allocations of Taxes. Taxes shall be allocated as follows:

(a) 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) and all Taxes of Altisource and its direct or indirect Subsidiaries (including the consolidated tax group for U.S. Federal income tax purposes for which Altisource Portfolio Solutions Inc. is the parent) for the Pre-Closing Taxes Period.

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

## ARTICLE III

### Preparation and Filing of Tax Returns

SECTION 3.01 General. Except as otherwise provided in this Article III, 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 VI with respect to the preparation and filing of Tax Returns, including providing information required to be provided in Article VI.

SECTION 3.02 Altisource's Responsibility. Altisource has the exclusive obligation and right to prepare and file, or to cause to be prepared and filed:

- (a) Altisource income tax returns for all Tax Periods; and
- (b) Altisource Separate Returns and AAMC Separate Returns that Altisource 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 AAMC Separate Returns, to such Returns as are filed on or prior to the Closing Date).

SECTION 3.03 AAMC's Responsibility. AAMC shall prepare and file, or shall cause to be prepared and filed, all AAMC Separate Returns other than those Tax Returns filed on or prior to the Closing Date.

SECTION 3.04 Tax Accounting Practices. (a) General Rule. Except as provided in Section 3.04(b), with respect to any Tax Return that AAMC has the obligation and right to prepare and file, or cause to be prepared and filed, under Section 3.03, 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 Altisource 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 Altisource 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

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such Past Practices), in accordance with reasonable Tax accounting practices. Except as provided in Section 3.04(b), Altisource 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 3.02, in accordance with reasonable Tax accounting practices selected by Altisource.

(b) Reporting of Transaction Tax Items. AAMC and Altisource shall file all Tax Returns consistent with the Tax treatment (including the value of AAMC) of the Transactions as determined by Altisource, unless there is no reasonable basis for such Tax treatment.

(c) Detrimental Tax Positions. Neither AAMC nor Altisource shall take a position on any Tax Return that is reasonably expected to cause a Tax Detriment to the other party without the consent of such party, not to be unreasonably withheld or delayed.

SECTION 3.05 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 3.06 AAMC Carrybacks and Claims for Refund. (a) AAMC hereby agrees that, unless Altisource 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 AAMC, Altisource shall use reasonable best efforts to make, at AAMC's expense, an Adjustment Request claiming a refund of Taxes for the Pre-Closing Period with respect to an AAMC 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 Altisource) where, in Altisource's reasonable discretion, such Adjustment Request will not materially impair the ability of

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Altisource to use Tax Attributes. Altisource shall not take any action that would impair the use of any Tax Attribute by a member of the AAMC Group without the prior written consent of AAMC.

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

SECTION 3.07 Apportionment of Earnings and Profits and Tax Attributes. Altisource shall in good faith advise AAMC in writing of the portion, if any, of any earnings and profits, Tax Attributes or other consolidated, combined or unitary attributes that Altisource determines shall be allocated or apportioned to the AAMC Group under applicable law. AAMC and all members of the AAMC Group shall prepare all Tax Returns in accordance with such written notice. As soon as practicable after receipt of a written request from AAMC, Altisource 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, Altisource shall promptly notify AAMC in writing of such adjustment. For the avoidance of doubt, Altisource shall not be liable to any member of the AAMC Group for any failure of any determination under this Section 3.07 to be accurate under applicable Tax Law.

## ARTICLE IV

### Tax Payments

SECTION 4.01 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 3.04 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 Altisource is the Responsible Company, then AAMC shall pay to Altisource the amount allocable to the AAMC Group under the provisions of Article II, and if AAMC is the Responsible Company, then Altisource shall pay to AAMC the amount allocable to the Altisource 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.

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(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 AAMC Group in accordance with Article II and AAMC shall pay to Altisource any amount due Altisource (or Altisource shall pay AAMC any amount due AAMC) 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 4.01(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 4.01(c).

SECTION 4.02 Indemnification Payments. All indemnification payments under this Agreement shall be made by Altisource directly to AAMC and by AAMC directly to Altisource; provided, however, that if the Companies mutually agree with respect to any such indemnification payment, any member of the Altisource Group, on the one hand, may make such indemnification payment to any member of the AAMC Group, on the other hand, and vice versa.

## ARTICLE V

### Tax Benefits

SECTION 5.01 Tax Refunds in General. Except as set forth below, 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, AAMC shall be entitled to any refund (and any interest thereon received from the applicable Tax Authority) of Taxes for which AAMC 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 5.02 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 Altisource Group is liable hereunder (or Tax Attribute of a member of the Altisource Group) a member of the AAMC 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 AAMC Group is liable hereunder (or Tax Attribute of a member of the AAMC 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), AAMC or Altisource, as the case may be, shall make a payment to either Altisource or AAMC, as appropriate, within 30 days following the date of a written notice and demand from Altisource or AAMC, 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

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5.02(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 5.02(a). In the event that Altisource or AAMC disagrees with any such calculation described in this Section 5.02(a), Altisource or AAMC shall so notify the other Company in writing within 30 days of receiving the written calculation set forth above in this Section 5.02(a). Altisource and AAMC shall endeavor in good faith to resolve such disagreement.

(b) If a member of the AAMC 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), or 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 AAMC Group is liable hereunder (or Tax

Attribute of a member of the AAMC Group) (in such circumstance, AAMC 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 5.02(b). No later than 30 days after a Tax Detriment described in this Section 5.02(b) is actually realized in cash by a member of the Altisource Group or a member of the AAMC Group, Altisource (if a member of the Altisource Group actually realizes such Tax Detriment) or AAMC (if a member of the AAMC Group actually realizes such Tax Detriment) shall provide the other Company with a written calculation of the amount payable pursuant to this Section 5.02(b). In the event that Altisource or AAMC disagrees with any such calculation described in this Section 5.02(b), Altisource or AAMC shall so notify the other Company in writing within 30 days of receiving the written calculation set forth above in this Section 5.02(b). Altisource and AAMC shall endeavor in good faith to resolve such disagreement.

SECTION 5.03 AAMC Carrybacks. AAMC 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 AAMC Carryback pursuant to the proviso set forth in Section 3.06, provided that the refund is a refund of Taxes for the Tax Period to which the AAMC Carryback is carried or the first or second immediately following Tax Periods. Any such payment of such refund made by Altisource to AAMC pursuant to this Section 5.03 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 an Altisource Group Tax Attribute to a Tax Period in respect of which such refund is received) that would affect the amount to which AAMC is entitled, and an appropriate adjusting payment shall be made by AAMC to Altisource such that the aggregate amounts paid pursuant to this Section 5.03 equals such recalculated

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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 5.03).

## ARTICLE VI

### Assistance and Cooperation

SECTION 6.01 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 VII. 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 VI 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 6.02 Income Tax Return Information. AAMC and Altisource acknowledge that time is of the essence in relation to any request for information, assistance or cooperation made by Altisource or AAMC pursuant to Section 6.01 or this Section 6.02. AAMC and Altisource acknowledge that failure to conform to the deadlines set forth herein or reasonable deadlines otherwise set by Altisource or AAMC 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 6.01 or this Section 6.02, 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 6.01 or this Section 6.02, to permit any such Accountant full access to all records or other

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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 6.03 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 VI, a member of the Signing Group with inaccurate or incomplete information in connection with a Tax liability.

## ARTICLE VII

### Tax Records

SECTION 7.01 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 Altisource 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 VII 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 7.01 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 7.02 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.

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## ARTICLE VIII

### Tax Contests

SECTION 8.01 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 8.02 Control of Tax Contests. (a) Altisource Returns. In the case of any Tax Contest with respect to any Altisource income tax 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. Altisource shall keep AAMC informed in a timely manner regarding such Tax Contests to the extent relating to the AAMC Business, the AAMC Group or the assets transferred to AAMC pursuant to the Transactions insofar as such Tax Contests would reasonably be expected to affect the AAMC Group.

(b) AAMC Separate Returns. In the case of any Tax Contest with respect to an AAMC Separate Return, AAMC 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 AAMC could reasonably be expected to become liable for any amounts that Altisource is entitled to control under this Article VIII, (A) Altisource shall consult with AAMC reasonably in advance of taking any significant action in connection with such Distribution-Related Proceeding, (B) Altisource shall consult with AAMC and offer AAMC a reasonable opportunity to comment before submitting any written materials prepared or furnished in connection with such Distribution-Related Proceeding, (C) Altisource shall defend such Distribution-Related Proceeding diligently and in good faith and (D) Altisource shall provide AAMC copies of any written materials relating to such Distribution-Related Proceeding received from the relevant Tax Authority.

## ARTICLE IX

### 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 Altisource Group, on the one hand, and one or more members of the AAMC 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.

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## ARTICLE X

### 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 XI

### Treatment of Payments; Tax Gross Up

SECTION 11.01 Treatment of Tax Indemnity and Tax Benefit Payments. In the absence of any change in Tax treatment under applicable Tax Law:

(a) any Tax indemnity payments made by a Company under Article IV shall be reported for Tax purposes by the payor and the recipient as distributions or capital contributions, as appropriate, occurring immediately before the Distribution or as payments of an assumed or retained liability, and

(b) any Tax Benefit 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 or as payments of an assumed or retained liability.

SECTION 11.02 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 11.03 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 11.02 to take into account any associated Tax Benefit to the Indemnitor or Tax Detriment to the Indemnitee.

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## ARTICLE XII

### 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 XIV, 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 XII 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 XIII

### 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 XIII 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 XIII or the interest rate provided under such other provision.

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## ARTICLE XIV

### 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 XV

### General Provisions

SECTION 15.01 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 Altisource, to:  
Altisource Solutions S.à r.l.

291, Route d'Arlon  
L-1150 Luxembourg  
Attn: Corporate Secretary  
Fax No.: 352-2744-9499

If to AAMC to:  
Altisource Asset Management Corporation  
402 Strand St.  
Frederiksted, VI 00840-3531  
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 15.02 Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their successors and assigns.

SECTION 15.03 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 15.04 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

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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 15.05 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 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 15.06 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 VIII.

SECTION 15.07 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 15.08 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 15.09 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 15.10 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

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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 15.11 Governing Law; Jurisdiction.

(a) 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 Altisource board of directors attendant to the declaration and payment of the dividend of the AAMC Common Shares, which shall be governed by the law of Luxembourg).

(b) 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 15.11 may be served on any party to this Agreement or any Ancillary Agreement anywhere in the world.

(c) Notwithstanding the foregoing, (i) in the event that a court of competent jurisdiction determines that the choice of New York law in accordance with Section 15.11(a) is unenforceable, this Agreement shall be governed by the laws of the U.S. Virgin Islands and (ii) in the event that a court of competent jurisdiction determines that the choice of New York jurisdiction in accordance with Section 15.11(b) is unenforceable, any action or proceeding arising out of or relating to this Agreement or any Ancillary Agreement shall be brought in the courts of the U.S. Virgin Islands.

SECTION 15.12 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 15.13 AAMC Subsidiaries. If, at any time, AAMC or Altisource, respectively, acquires or creates one or more subsidiaries that are includable in the AAMC

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Group or the Altisource Group, respectively, they shall be subject to this Agreement and all references to the AAMC Group or Altisource Group, respectively, herein shall thereafter include a reference to such subsidiaries.

SECTION 15.14 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, to the same extent as if such successor had been an original party to this Agreement.

SECTION 15.15 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 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.

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

**ALTISOURCE SOLUTIONS S.À R.L.**

By \_\_\_\_\_

Name:

Title:

**ALTISOURCE ASSET MANAGEMENT CORPORATION**

By \_\_\_\_\_

Name:

Title:

[TAX MATTERS AGREEMENT - AAMC]

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**ASSET MANAGEMENT AGREEMENT** (the "Agreement"), dated as of [ ], 2012, among ALTISOURCE RESIDENTIAL CORPORATION, a Maryland corporation ("Residential"), ALTISOURCE RESIDENTIAL, L.P., a Delaware limited partnership (the "Partnership"), and ALTISOURCE ASSET MANAGEMENT CORPORATION, a U.S. Virgin Islands corporation (the "Asset Manager").

## RECITALS

WHEREAS, Residential and the Partnership desire to retain the Asset Manager as their exclusive provider of asset management and corporate governance services, on the terms and conditions hereinafter set forth, and the Asset Manager wishes to be retained to provide such services.

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration, the parties hereby agree as follows:

### 1. Duties of the Asset Manager.

(a) Residential and the Partnership, each hereby employs the Asset Manager to provide asset management and corporate governance services to Residential and the Partnership, subject to the supervision of the Board of Directors of Residential (the "Board of Directors") and the general partner of the Partnership (the "General Partner"), for the period and upon the terms herein set forth, in each case, (x) in accordance with the investment objectives, policies and restrictions set forth by the Board of Directors and the General Partner, and (y) in accordance with all other applicable federal, state and territorial laws, rules and regulations. Without limiting the generality of the foregoing, the Asset Manager shall, during the term and subject to the provisions of this Agreement, (i) determine the composition of Residential's and the Partnership's portfolio of Real Estate Assets (as defined herein), the nature and timing of the changes therein and the manner of implementing such changes (including through the sale or purchase of Real Estate Assets); (ii) identify, evaluate and negotiate the structure of the investments in Real Estate Assets made by Residential and the Partnership; (iii) perform due diligence on prospective investments in Real Estate Assets; (iv) monitor Residential's and the Partnership's investments in Real Estate Assets; (v) provide corporate governance services to Residential and the Partnership; and (vi) provide Residential with such other research and related services as Residential may, from time to time, reasonably require. In the event that Residential determines to acquire debt or other financing for the purpose of any investment in Real Estate Assets, the Asset Manager will arrange for such financing on Residential's behalf, subject to the oversight and approval of the Board of Directors and the General Partner. If it is necessary for the Asset Manager to make investments in Real Estate Assets on behalf of Residential or the Partnership through a special purpose vehicle, the Asset Manager shall have authority to create or arrange for the creation of such special purpose vehicle and to make such investments in Real Estate Assets through such special purpose vehicle. For purposes of this Agreement, the term "Real Estate Assets" shall include the following asset classes: (A) single-family residential properties for rental, (B) non-performing residential mortgage loans, (C) title insurance and reinsurance, and (D) any other similar assets or investments as may be agreed to between the parties.

(b) The Asset Manager hereby accepts such employment and agrees during the term hereof to render the services described herein for the compensation provided herein.

(c) The Asset Manager shall for all purposes herein provided be deemed to be an independent contractor and, except as expressly provided or authorized herein, shall have no authority to act for or represent Residential or the Partnership in any way or otherwise be deemed an agent of Residential or the Partnership.

(d) The Asset Manager shall keep and preserve for the period required by Residential and the General Partner any books and records relevant to the provision of its asset management and corporate governance services to Residential or the Partnership and shall specifically maintain all books and records with respect to Residential's or the Partnership's portfolio transactions and shall render to Residential such periodic and special reports as Residential or the General Partner may reasonably request. The Asset Manager agrees that all records that it maintains for Residential and the General Partner are the property of Residential and/or the Partnership and will surrender promptly to Residential or the Partnership, as applicable, any such records upon Residential's or the General Partner's request, provided that the Asset Manager may retain a copy of such records.

(e) The Asset Manager is the sole holder of common stock of NewSource Reinsurance Company Ltd. ("NewSource"). The Asset Manager shall vote its shares of common stock in NewSource independently of its obligations under this Agreement and without regard to the effects of such vote on Residential or the Partnership. Residential and the Partnership hereby confirm that the Asset Manager has no duty to consider their views or interests in voting the NewSource shares of common stock and will not request the Asset Manager to vote such shares in any particular way.

### 2. Devotion of Time; Additional Activities.

(a) So long as Residential and the Partnership, in the aggregate, have on hand the Minimum Capital Amount, the Asset Manager will not contract or engage with any other party to provide the same or substantially similar services as set forth herein without the prior written consent of Residential and the Partnership, which may be withheld by Residential and the Partnership in their sole discretion. For purposes of this Section 2(a), "Minimum Capital Amount" means, as of the applicable measurement date, an average of \$50,000,000 of capital available for investment over the previous two fiscal quarters.

(b) The Asset Manager and its affiliates will provide Residential and the Partnership with a management team, including a chief executive officer, a chief financial officer, a general counsel and other appropriate support personnel. The Asset Manager is not obligated to dedicate any of its personnel exclusively to Residential or the Partnership, nor is the Asset Manager or its personnel obligated to dedicate any specific portion of its or their time to Residential or the Partnership.

(c) Managers, partners, officers, employees, personnel and agents of the Asset Manager or affiliates of the Asset Manager may serve as directors, officers, employees, personnel, agents, nominees or signatories for Residential and/or the Partnership, to the extent

for Residential or the Partnership, such persons shall use their respective titles in Residential or the Partnership.

3. Reimbursement of Expenses. Residential shall reimburse the Asset Manager on a monthly basis for (a) direct and indirect expenses it incurs or payments it makes on behalf of Residential, the Partnership or any other respective subsidiaries thereof, including, but not limited to, the allocable compensation and routine overhead expenses of all employees and staff of the Asset Manager, when and to the extent engaged in providing asset management and corporate governance services hereunder, (b) all other necessary or appropriate expenses allocable to Residential, the Partnership or any other respective subsidiaries thereof or otherwise reasonably incurred by the Asset Manager in connection with the performance of the Asset Manager's duties hereunder and (c) all costs and expenses incurred by the Asset Manager in connection with operations of Residential, the Partnership or any other respective subsidiaries thereof or any transactions in which Residential, the Partnership or any other respective subsidiaries thereof engage. Without limiting the foregoing, Residential shall reimburse the Asset Manager (to the extent incurred by the Asset Manager) and retain all responsibility for those costs and expenses relating to: (i) the organization and corporate governance of Residential, the Partnership or any of the respective subsidiaries thereof; (ii) calculating the net asset value of Residential, the Partnership or any other respective subsidiaries thereof (including the cost and expenses of any independent valuation firm); (iii) fees and expenses payable to third parties, including agents, consultants or other advisors, in monitoring financial and legal affairs for Residential, the Partnership or any other respective subsidiaries thereof and in monitoring investments in Real Estate Assets held by any of the foregoing and performing due diligence on their prospective investments in Real Estate Assets; (iv) interest payable on debt, if any, incurred to finance investments in Real Estate Assets by Residential, the Partnership or any other respective subsidiaries thereof; (v) offerings of the equity or other securities of Residential, the Partnership or any of their respective subsidiaries; (vi) asset management and incentive fees payable to third parties; (vii) fees payable to third parties, including agents, consultants or other advisors, relating to, or associated with, evaluating and making investments in Real Estate Assets; (viii) transfer agent and custodial fees; (ix) federal, state and territorial registration fees; (x) all costs of registration and listing the capital stock or other securities of Residential, the Partnership or any other respective subsidiaries thereof on any securities exchange; (xi) federal, state and local taxes; independent directors' fees and expenses; (xii) costs of preparing and filing reports or other documents required by the Securities and Exchange Commission or any other cost of compliance with federal or state securities laws; (xiii) costs of any reports, proxy statements or other notices to stockholders, including printing costs; (xiv) the portion of the directors and officers/errors and omissions liability insurance, and any other insurance premiums allocable to Residential, the Partnership or any other respective subsidiaries thereof; (xv) direct costs and expenses of administration, including printing, mailing, long distance telephone, copying, secretarial and other staff, independent auditors and outside legal costs; and (xvi) all other expenses incurred by the Asset Manager in connection with administering the business of Residential, the Partnership or any subsidiary thereof.

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4. Compensation of the Asset Manager.

(a) On the last day of each fiscal quarter of Residential, Residential agrees to pay, and the Asset Manager agree to accept, as compensation for the services provided by the Asset Manager hereunder, an incentive fee (the "Incentive Fee") as hereinafter set forth and by way of example on Exhibit I attached hereto:

(i) *first*, 2% of the amount of cash dividends paid by Residential to its shareholders with respect to such cash during such fiscal quarter until the Quarterly Per Share Distribution Amount exceeds the First Threshold during such fiscal quarter, as such amount may be adjusted from time to time pursuant to Section 4(d) hereof;

(ii) *second*, 15% of the amount of additional cash dividends paid by Residential to its shareholders with respect to such cash during such fiscal quarter until the Quarterly Per Share Distribution Amount exceeds the Second Threshold during such fiscal quarter, as such amount may be adjusted from time to time pursuant to Section 4(d) hereof;

(iii) *third*, 25% of the amount of cash dividends paid by Residential to its shareholders with respect to such cash during such fiscal quarter until the Quarterly Per Share Distribution Amount exceeds the Third Threshold during such fiscal quarter, as such amount may be adjusted from time to time pursuant to Section 4(d) hereof; and

(iv) *thereafter*, 50% of the amount of cash dividends paid by Residential to its shareholders with respect to such cash during such fiscal quarter.

Notwithstanding the foregoing, in the case of cash dividends of Cash From Capital Transactions paid by Residential to its shareholders, no Incentive Fee shall be paid to the Asset Manager in accordance with this Section 4(a) unless and until a hypothetical holder of one share of Class B Common Stock acquired on the Separation Date has received with respect to such share of Class B Common Stock, during the period since the Separation Date through such date, distributions of Available Cash that are deemed to be Cash From Capital Transactions in an aggregate amount equal to \$12.74; provided that in calculating such amount, any dividends of Cash From Capital Transaction paid to holders of Class A Common Stock in preference to holders of Class B Common Stock shall be deemed have been distributed to all of Residential's stockholders on a pari passu basis.

(b) For purposes of this Agreement Residential shall be deemed to have made quarterly distributions to its shareholders of all of its Available Cash.

(c) For purposes of this Section 4, the following terms shall have the following meanings:

(i) "Available Cash" shall mean, with respect to any fiscal quarter:

A. the sum of:

(1) all cash receipts of Residential during such quarter from all sources (including, without limitation, distributions of cash received from the Partnership and cash proceeds from Capital Transactions); and

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(2) any reduction in reserves with respect to such quarter from the level at the end of the prior quarter;

B. less the sum of:

- (1) all cash disbursements of Residential during such quarter, including, without limitation, disbursements for operating expenses, taxes, if any, debt service (including, without limitation, the payment of principal, premium and interest), capital expenditures and contributions, if any, to the Partnership; and
- (2) any reserves established with respect to such quarter, and any increase in reserves established with respect to prior quarters, in such amounts as the Board of Directors determines in its reasonable discretion to be necessary or appropriate (x) to provide for the proper conduct of the business of Residential and its subsidiaries (including, without limitation, reserves for future capital expenditures) or (y) because the distribution of such amounts would be prohibited by applicable law or by any loan agreement, security agreement, mortgage, debt instrument or other agreement or obligation to which Residential or any of its subsidiaries is a party or by which any of them is bound or by which any of their assets are subject.

Notwithstanding the foregoing, "Available Cash" with respect to any fiscal quarter shall include any cash receipts (to the extent such cash receipts are attributable to transactions and operations during such quarter) received by Residential after the end of such quarter.

(ii) "Capital Transactions" shall mean (a) borrowings, refinancings or refundings of indebtedness and sales of debt securities (other than for working capital purposes and other than for items purchased on open account in the ordinary course of business) by Residential or its subsidiaries, (b) sales of equity interests by Residential or its subsidiaries and (c) sales or other voluntary or involuntary dispositions of any assets of Residential or its subsidiaries (other than (x) sales or other dispositions of assets in the ordinary course of business, (y) sales or other dispositions of other current assets including, without limitation, receivables and accounts and (z) sales or other dispositions of assets as a part of normal retirements or replacements), in each case prior to the commencement of the dissolution and liquidation of Residential. For the purposes of this definition, sales or other dispositions of assets in the ordinary course of business shall be deemed to include all sales or other dispositions of assets by Residential other than the sale or other disposition by Residential or its subsidiaries, in a single transaction or series of related transactions, of assets that have an aggregate value in excess of 50% of the aggregate value of all assets held by Residential and its subsidiaries on a consolidated basis immediately prior to the consummation of such transaction or, in the case of a series of related transactions, the first such transaction.

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(iii) "Cash From Capital Transactions" shall mean, at any date, any proceeds received by Residential or its subsidiaries with respect to a Capital Transaction, net of any (i) reasonable transaction expenses incurred by Residential or its subsidiaries in connection therewith or (ii) payments or prepayments of principal and premium required by reason of loan agreements (including, without limitation, covenants and default provisions therein) or by lenders, in each case, in connection with such Capital Transaction; *provided*, that any payment or prepayment of principal, whether or not then due, shall be deemed, at the election and in the discretion of the Board of Directors to be refunded or refinanced by any indebtedness incurred or to be incurred by Residential or its subsidiaries simultaneously with or within 180 days prior to or after such payment or prepayment to the extent of the principal amount of such indebtedness so incurred.

(iv) "Class A Common Stock" shall mean the Class A Common Stock, \$0.01 par value per share, of Residential.

(v) "Class B Common Stock" shall mean the Class B Common Stock, \$0.01 par value per share, of Residential.

(vi) "First Threshold" shall mean \$0.161 per share.

(vii) "Quarterly Per Share Distribution Amount" shall mean the aggregate amount of dividend distributions made during the applicable quarter divided by the average number of shares of common stock of Residential outstanding as of the applicable dividend distribution date.

(viii) "Second Threshold" shall mean \$0.193 per share.

(ix) "Separation Date" shall have the meaning ascribed to such term in the Separation Agreement, dated [ ], by and between Residential and Altisource Portfolio Solutions S.A.

(x) "Third Threshold" shall mean \$0.257 per share.

(xi) "Thresholds" shall mean each of the First Threshold, Second Threshold and Third Threshold.

(d) Each of the Thresholds shall be adjusted from time to time as follows:

(i) In the event of the payment of any dividend of Cash from Capital Transactions by Residential to its shareholders, each of the Thresholds shall be reduced to by an amount equal to the applicable Threshold multiplied by a fraction (i) the numerator of which shall be the amount of distributions of Available Cash that are deemed to be Cash From Capital Transactions that a hypothetical holder of one share of Class B Common Stock acquired on the Separation Date has received with respect to such share of Class B Common Stock, during the period since the Separation Date through such date, and (ii) denominator of which shall be \$12.74; provided that in no event shall such fraction be greater than 1; provided further that in calculating the numerator of such fraction, any dividends of Cash From Capital Transactions

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paid to holders of Class A Common Stock in preference to holders of Class B Common Stock shall be deemed have been distributed to all of Residential's stockholders on a pari passu basis.

(ii) If Residential at any time subdivides (by any stock split, stock dividend, reclassification, recapitalization or other similar transaction) its common stock into a greater number of shares, the Thresholds shall be proportionately decreased. If Residential at any time combines (by reverse stock split, reclassification, recapitalization or other similar transaction) its common stock into a smaller number of shares, the Thresholds shall be proportionately increased.

(e) Residential shall make any payments due hereunder to the Asset Manager or to the Asset Manager's designee as the Asset Manager may otherwise direct.

5. Regulatory Matters. Each of Residential and the Partnership acknowledges that the Asset Manager is not registered as an investment adviser under the Investment Advisers Act of 1940, as amended (the "Advisers Act") and that the parties do not anticipate that the Asset Manager shall be required to so register in connection with the provision of asset management services by the Asset Manager pursuant to this Agreement since the Asset Manager is not providing advice to Residential or the Partnership with respect to the purchase, sale or investment of securities as defined under the Advisers Act. Notwithstanding anything contained herein to the contrary, each of the parties acknowledges and agrees that in the event the services to be provided by the Asset Manager pursuant to the terms of this Agreement are expanded, the Asset Manager may be required to register under the Advisers Act; *provided, however*, the Asset Manager shall not be required to perform any additional services pursuant to this Agreement if the Asset Manager determines in its sole discretion that the provision of such services will require the Asset Manager to register under the Advisers Act. The Asset Manager agrees that its activities will at all times be in compliance in all material respects with all applicable federal, state and territorial laws governing its operations and investments.

6. Employment of the Asset Manager.

(a) The Asset Manager may engage in any other business or render similar or different services to others including, without limitation, the direct or indirect sponsorship or management of other investment based accounts or commingled pools of capital, however structured, having investment objectives similar to those of Residential or the Partnership, so long as its services to Residential and the Partnership hereunder are not impaired thereby, and nothing in this Agreement shall limit or restrict the right of any manager, partner, officer or employee of the Asset Manager to engage in any other business or to devote his or her time and attention in part to any other business, whether of a similar or dissimilar nature, or to receive any fees or compensation in connection therewith. The Asset Manager assumes no responsibility under this Agreement other than to render the services called for hereunder. It is understood that directors, officers, employees, partners and shareholders of Residential or the Partnership are or may become interested in the Asset Manager and its affiliates, as directors, officers, employees, partners, stockholders, members, asset managers or otherwise, and that the Asset Manager and directors, officers, employees, partners, stockholders, members and managers of the Asset Manager and its affiliates are or may become similarly interested in Residential or the Partnership as shareholders or partners or otherwise.

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(b) During the term of this Agreement, (i) Residential shall hold all of its assets and investments through the Partnership, (ii) the Asset Manager shall be the exclusive provider of asset management and corporate governance services to Residential and the Partnership, and (iii) Residential and the Partnership shall not employ or contract with any other party to receive the same or substantially similar services as set forth herein without the prior written consent of the Asset Manager, which may be withheld by the Asset Manager in its sole discretion.

7. Responsibility of Dual Directors, Officers and/or Employees. If any person who is a manager, partner, officer or employee of the Asset Manager is or becomes a director, officer and/or employee of Residential or the Partnership and acts as such in any business of Residential or the Partnership, then such manager, partner, officer and/or employee of the Asset Manager shall be deemed to be acting in such capacity solely for Residential or the Partnership, as applicable, and not as a manager, partner, officer or employee of the Asset Manager or under the control or direction of the Asset Manager, even if paid by the Asset Manager.

8. Limitation of Liability of the Asset Manager; Indemnification. The Asset Manager (and its officers, managers, partners, agents, employees, controlling persons, members and any other person or entity affiliated with the Asset Manager) shall not be liable to Residential or the Partnership for any action taken or omitted to be taken by the Asset Manager in connection with the performance of any of its duties or obligations under this Agreement or otherwise as an asset manager of Residential or the Partnership with respect to the receipt of compensation for services, and each of Residential and the Partnership shall indemnify, defend and protect the Asset Manager (and its officers, managers, partners, agents, employees, controlling persons, members and any other person or entity affiliated with the Asset Manager, each of whom shall be deemed a third party beneficiary hereof) (collectively, the "Indemnified Parties") and hold them harmless from and against all damages, liabilities, costs and expenses (including reasonable attorneys' fees and amounts reasonably paid in settlement) incurred by the Indemnified Parties in or by reason of any pending, threatened or completed action, suit, investigation or other proceeding (including an action or suit by or in the right of the Partnership, its partners, or Residential or its shareholders) arising out of or otherwise based upon the performance of any of the Asset Manager's duties or obligations under this Agreement or otherwise as an asset manager of Residential and the Partnership. Notwithstanding the preceding sentence of this Paragraph 8 to the contrary, nothing contained herein shall protect or be deemed to protect the Indemnified Parties against or entitle or be deemed to entitle the Indemnified Parties to indemnification in respect of, any liability to Residential or its shareholders, or the Partnership or its partners, to which the Indemnified Parties would otherwise be subject by reason of willful misfeasance, bad faith or gross negligence in the performance of the Asset Manager's duties or by reason of the reckless disregard of the Asset Manager's duties and obligations under this Agreement.

9. No Joint Venture. Nothing in this Agreement shall be construed to make Residential, the Partnership and the Asset Manager partners or joint venturers or impose any liability as such on any of them.

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10. Term; Termination.

(a) This Agreement shall be in effect until [July , 2027] (the "Initial Term") and shall be automatically renewed for a one-year term each anniversary date thereafter (a "Renewal Term") unless terminated by either party in accordance with this Section 10.

(b) Subject to Section 11 below, neither Residential nor the Partnership may terminate this Agreement unless (i) in the case of a termination by the Partnership, the General Partner determines that there has been unsatisfactory performance by the Asset Manager that is materially detrimental to the Partnership or (ii) in the case of a termination by Residential, at least two-thirds of the Independent Directors (as defined herein) agree that (x) there has been

unsatisfactory performance by the Asset Manager that is materially detrimental to Residential or (y) the compensation payable to the Asset Manager hereunder is unreasonable; *provided* that Residential shall not have the right to terminate this Agreement under clause (ii)(y) above if the Asset Manager agrees to continue to provide the services under this Agreement at a reduced fee that at least two-thirds of the Independent Directors determines to be reasonable pursuant to the procedure set forth below. If Residential or the Partnership elects not to renew this Agreement at the expiration of the Initial Term or any Renewal Term as set forth above, Residential or the Partnership, as applicable (the “Terminating Party”), shall deliver to the Asset Manager prior written notice (the “Termination Notice”) of such Terminating Party’s intention not to renew this Agreement based upon the terms set forth in this Section 10(a) not less than 180 days prior to the expiration of the then existing term. If the Terminating Party so elects not to renew this Agreement, such Terminating Party shall designate the date (the “Effective Termination Date”), not less than 180 days from the date of the notice, on which the Asset Manager shall cease to provide services under this Agreement, and this Agreement shall terminate on such date; *provided, however*, that in the event that such Termination Notice is given in connection with a determination that the compensation payable to the Asset Manager is unfair, the Asset Manager shall have the right to renegotiate such compensation by delivering to Residential, no fewer than 45 days prior to the prospective Effective Termination Date, written notice (any such notice, a “Notice of Proposal to Negotiate”) of its intention to renegotiate its compensation under this Agreement. Thereupon, Residential (represented by the Independent Directors) and the Asset Manager shall endeavor to negotiate in good faith the revised compensation payable to the Asset Manager under this Agreement. *Provided* that the Asset Manager and at least two-thirds of the Independent Directors agree to the terms of the revised compensation to be payable to the Asset Manager within 45 days following the receipt of the Notice of Proposal to Negotiate, the Termination Notice shall be deemed of no force and effect and this Agreement shall continue in full force and effect on the terms stated in this Agreement, except that the compensation payable to the Asset Manager hereunder shall be the revised compensation then agreed upon by the parties to this Agreement. Each of the parties agrees to execute and deliver an amendment to this Agreement setting forth such revised compensation promptly upon reaching an agreement regarding same. In the event that Residential and the Asset Manager are unable to agree to the terms of the revised compensation to be payable to the Asset Manager during such 45-day period, this Agreement shall terminate, such termination to be effective on the date which is the later of (A) 10 days following the end of such 45-day period and (B) the Effective Termination Date originally set forth in the Termination Notice. For purposes of this Agreement, “Independent Directors” shall mean the members of the Board of Directors who are not officers or employees of the Asset Manager or any person or entity directly or indirectly controlling or controlled by the Asset Manager, and who are otherwise “independent” in accordance with Residential’s organizational documents. Notwithstanding the foregoing, neither Residential nor

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the Partnership may terminate this Agreement pursuant to this Section 10 during the first twenty-four (24) months of the Initial Term.

(c) In recognition of the level of the upfront effort required by the Asset Manager to structure and acquire the assets of Residential and the Partnership and the commitment of resources by the Asset Manager, in the event that this Agreement is terminated in accordance with the provisions of Section 10(a) of this Agreement, Residential shall pay to the Asset Manager, on the date on which such termination is effective, a termination fee (the “Termination Fee”) equal to three (3) times the sum of the average annual Incentive Fee during the 24-month period immediately preceding the date of such termination, calculated as of the end of the most recently completed fiscal quarter prior to the date of termination. The obligation of Residential to pay the Termination Fee shall survive the termination of this Agreement.

(d) No later than 180 days prior to the anniversary date of this Agreement of any year during the Initial Term or Renewal Term, the Asset Manager may deliver written notice to Residential informing it of the Asset Manager’s intention to decline to renew this Agreement, whereupon this Agreement shall not be renewed and extended and this Agreement shall terminate effective on the anniversary date of this Agreement next following the delivery of such notice. Residential is not required to pay to the Asset Manager the Termination Fee if the Asset Manager terminates this Agreement pursuant to this Section 10(c).

(e) If this Agreement is terminated pursuant to Section 10, such termination shall be without any further liability or obligation of either party to the other, except as provided in Sections 1(d), 3, 10(b), 11(b), 11(c) and 12 of this Agreement. In addition, Sections 8 and 16 of this Agreement shall survive termination of this Agreement.

#### 11. Termination for Cause.

(a) Residential or the General Partner may terminate this Agreement effective upon 30 days’ prior written notice of termination from the Board of Directors or the General Partner to the Asset Manager, without payment of any Termination Fee, if (i) the Asset Manager, its agents or its assignees materially breaches any provision of this Agreement and such breach shall continue for a period of 30 days after written notice thereof specifying such breach and requesting that the same be remedied in such 30-day period (or 60 days after written notice of such breach if the Asset Manager takes steps to cure such breach within 30 days of the written notice), (ii) the Asset Manager engages in any act of fraud, misappropriation of funds, or embezzlement against Residential or the Partnership, (iii) there is an event of any gross negligence on the part of the Asset Manager in the performance of its duties under this Agreement, (iv) there is a commencement of any proceeding relating to the Asset Manager’s bankruptcy or insolvency, including an order for relief in an involuntary bankruptcy case or the Asset Manager authorizing or filing a voluntary bankruptcy petition, or (v) there is a dissolution of the Asset Manager.

(b) The Asset Manager may terminate this Agreement effective upon 60 days’ prior written notice of termination to Residential in the event that Residential shall default in the performance or observance of any material term, condition or covenant contained in this Agreement and such default shall continue for a period of 30 days after written notice thereof

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specifying such default and requesting that the same be remedied in such 30-day period (or 60 days after written notice of such breach if Residential takes steps to cure such breach within 30 days of the written notice). Residential is required to pay to the Asset Manager the Termination Fee if the termination of this Agreement is made pursuant to this Section 11(b).

(c) The Asset Manager may terminate this Agreement in the event Residential becomes regulated as an “investment company” under the Investment Company Act of 1940, as amended, with such termination deemed to have occurred immediately prior to such event. Residential shall pay to the Asset Manager the Termination Fee in the event that this Agreement is terminated pursuant to this Section 11(c).

12. Action Upon Termination. From and after the effective date of termination of this Agreement, pursuant to Sections 10 or 11 of this Agreement, the Asset Manager shall not be entitled to compensation for further services under this Agreement, but shall be paid all compensation accruing to the date of termination and, if terminated pursuant to Sections 10(a), 11(b) or 11(c), the applicable Termination Fee. Upon such termination, the Asset Manager shall deliver to the Board of Directors all property and documents of Residential or the Partnership then in the custody of the Asset Manager.

13. Notices. Any notice under this Agreement shall be given in writing, addressed and delivered or mailed, postage prepaid, to the other party at its principal office.

14. Amendments. This Agreement may be amended by mutual consent of the parties.

15. Entire Agreement; Governing Law. This Agreement contains the entire agreement of the parties and supersedes all prior agreements, understandings and arrangements with respect to the subject matter hereof. This Agreement shall be construed in accordance with the laws of the State of New York.

*[The remainder of this page intentionally left blank]*

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

**ALTISOURCE RESIDENTIAL CORPORATION**

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

**ALTISOURCE RESIDENTIAL, L.P.**

By: Altisource Residential GP, LLC, its general partner  
By: Altisource Residential GP Member, LLC, its sole member

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

**ALTISOURCE ASSET MANAGEMENT CORPORATION**

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

[ASSET MANAGEMENT AGREEMENT]

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**EXHIBIT I**

**EXAMPLE OF CASH-FLOW DISTRIBUTION WATERFALL**

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This **TRADEMARK LICENSE AGREEMENT** (this “Agreement”), is entered into as of the [ ] day of [ ], 2012 (“Effective Date”), by and between ALTISOURCE SOLUTIONS S.À. R.L., a private limited liability company organized under the laws of the Grand Duchy of Luxembourg, with offices at 291, Route d’Arlon, L-1150 Luxembourg (“Altisource”), and ALTISOURCE ASSET MANAGEMENT CORPORATION, a corporation organized under the laws of the U.S. Virgin Islands, with offices at 402 Strand St., Frederiksted, VI 00840-3531 (“AAMC”), (each, a “Party,” and collectively, the “Parties”).

## RECITALS

WHEREAS, Altisource has adopted, is using and is the owner of the Licensed Mark (as defined below) worldwide;

WHEREAS, pursuant to that certain Asset Management Agreement, by and between AAMC and Altisource Residential Corporation, a Maryland corporation (“Residential”), AAMC is the asset manager of Residential;

WHEREAS, AAMC desires to use the Licensed Mark as part of the trade name Altisource Asset Management Corporation and in connection with the Licensed Activities (as defined below); and

WHEREAS, Altisource desires to license the Licensed Mark to AAMC to be used as part of the trade name Altisource Asset Management Corporation and in connection with the Licensed Activities subject to the terms and conditions set forth in this Agreement.

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

## ARTICLE 1 DEFINITIONS

“Control” means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a person or entity, whether through the ownership of voting securities, by contract or otherwise.

“Licensed Mark” means the mark ALTISOURCE.

“Licensed Trade Name” means the corporate name Altisource Asset Management Corporation and any variation thereof including the term ALTISOURCE that is used by Licensed Users.

“Licensed Activities” means the provision of asset management and corporate governance services by Licensed Users and the operation of Licensed Users’ respective businesses in the ordinary course.

“Licensed User” and “Licensed Users” means AAMC and its Subsidiaries, if any.

“Subsidiary” means any corporation, company or other legal entity: (i) more than fifty percent (50%) of whose shares or outstanding securities (representing the right to vote for the election of directors or other managing authority) are, now or hereafter, Controlled, directly or

indirectly by a Party hereto, but such entity shall be deemed to be a Subsidiary for the purposes of this Agreement only so long as such Control exists; or (ii) which does not have outstanding shares or securities, as may be the case in a partnership, joint venture, or unincorporated association, but more than fifty percent (50%) of whose ownership interest representing the right to make decisions for such entity is now or hereafter, Controlled, directly or indirectly by a Party hereto, but such entity shall be deemed to be a Subsidiary for the purposes of this Agreement only so long as such Control exists.

## ARTICLE 2 LICENSE GRANT AND CONDITIONS OF LICENSED USE

Section 2.1. Altisource hereby grants Licensed Users a nonexclusive, nontransferable, nonsublicensable, royalty-free license to use and display the Licensed Trade Name and the Licensed Mark worldwide solely in connection with the Licensed Activities.

Section 2.2. All use of the Licensed Mark by Licensed Users, and all goodwill associated with such use, shall inure to the benefit of Altisource.

Section 2.3. Licensed Users shall use the Licensed Mark in a form which is in accordance with sound trademark practice so as not to weaken the value of the Licensed Mark. Licensed Users shall use the Licensed Mark in a manner that does not derogate, based on an objective business standard, Altisource’s rights in the Licensed Mark or the value of the Licensed Mark, and shall take no action that would, based on an objective standard, interfere with, diminish or tarnish those rights or value.

Section 2.4. The Licensed Mark shall remain the exclusive property of Altisource and nothing in this Agreement shall give Licensed Users any right or interest in the Licensed Mark except the licenses expressly granted in this Agreement.

Section 2.5. All of Altisource’s rights in and to the Licensed Mark, including, but not limited to, the right to use and to grant others the right to use the Licensed Mark, are reserved by Altisource.

Section 2.6. No license, right, or immunity is granted by either Party to the other, either expressly or by implication, or by estoppel, or otherwise with respect to any trademarks, copyrights, or trade dress, or other property right, other than with respect to the Licensed Trade Name and the Licensed Mark in accordance with Section 2.1.

Section 2.7. Licensed Users acknowledge that Altisource is the sole owner of all right, title and interest in and to the Licensed Mark, and that Licensed Users have not acquired, and shall not acquire, any right, title or interest in or to the Licensed Mark except the right to use the Licensed Mark in accordance with the terms of this Agreement.

Section 2.8. Licensed Users shall not register the Licensed Mark in any jurisdiction without Altisource's express prior written consent, and Altisource shall retain the exclusive right to apply for and obtain registrations for the Licensed Mark throughout the world.

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Section 2.9. Licensed Users shall not challenge the validity of the Licensed Mark, nor shall Licensed Users challenge Altisource's ownership of the Licensed Mark or the enforceability of Altisource's rights therein.

Section 2.10. Licensed Users shall designate the first or a prominent use of the Licensed Mark in all promotional materials, documents, brochures, and/or manuals with the symbol "SM".

Section 2.11. Licensed Users agree to cooperate with Altisource's preparation and filing of any applications, renewals or other documentation necessary or useful to protect and/or enforce Altisource's intellectual property rights in the Licensed Mark.

(a) Licensed Users shall notify Altisource promptly of any actual or threatened infringements, imitations or unauthorized uses of the Licensed Mark of which Licensed Users become aware.

(b) Altisource shall have the sole right, though it is under no obligation, to bring any action for any past, present and future infringements of its intellectual property rights in the Licensed Mark.

(c) Licensed Users shall cooperate with Altisource, at Altisource's expense for any out-of-pocket costs incurred by Licensed Users, in any efforts by Altisource to enforce its rights in the Licensed Mark or to prosecute third party infringers of the Licensed Mark.

(d) Altisource shall be entitled to retain any and all damages and other monies awarded or otherwise paid in connection with any such action.

Section 2.12 Quality Control. In order to promote the goodwill symbolized by the Licensed Mark, Licensed Users will insure that the Licensed Activities shall be of the same high quality as the services marketed or otherwise provided by Altisource.

(a) Licensed Users shall use the Licensed Mark only in connection with services that meet or exceed generally accepted industry standards of quality and performance.

(b) Altisource shall have the right to monitor the quality of the services provided and promotional materials used by Licensed Users, and Licensed Users shall use reasonable efforts to assist Altisource in monitoring the quality of the services provided and promotional materials used by Licensed Users.

(c) From time to time and upon Altisource's request, Licensed Users shall submit to Altisource samples of all materials bearing the Licensed Mark, including, without limitation, any advertising, packaging and other publicly disseminated materials.

(d) If Altisource discovers any improper use of the Licensed Mark on any such submission and delivers a writing describing in detail the improper use to Licensed Users, Licensed Users shall remedy the improper use immediately.

### **ARTICLE 3 TERM AND TERMINATION**

Section 3.1. Either Party may terminate this Agreement by giving the other Party thirty (30) days' prior written notice.

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Section 3.2. In the event that AAMC loses Control of a Subsidiary, all rights and licenses granted to the former Subsidiary under this Agreement shall immediately terminate.

Section 3.3. Upon termination of this agreement, Licensed Users shall immediately cease use of the Licensed Trade Name and Licensed Mark as soon as practicable, but no longer than thirty (30) days, after termination.

### **ARTICLE 4 GENERAL PROVISIONS**

Section 4.1. Indemnification. Licensed Users, at Licensed Users' own expense, shall indemnify, hold harmless and defend Altisource, its affiliates, successors and assigns, and its and their directors, officers, employees and agents, against any claim, demand, cause of action, debt, expense or liability (including attorneys' fees and costs), to the extent that the foregoing (a) is based on a claim resulting solely from any service provided or offered by Licensed Users, (b) results from a material breach, or is based on a claim that, if true, would be a material breach, of this Agreement by Licensed Users, or (c) is based upon Licensed Users' unauthorized or improper use of the Licensed Mark.

Section 4.2 LIMITATION OF WARRANTY AND LIABILITY. ALTISOURCE DOES NOT MAKE WARRANTIES OF ANY KIND, WHETHER EXPRESS, IMPLIED, RELATED TO OR ARISING OUT OF THE LICENSED MARK OR THIS AGREEMENT.

(a) ALTISOURCE SPECIFICALLY DISCLAIMS ANY IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT, AND/OR TITLE, AND ALL OTHER WARRANTIES THAT MAY OTHERWISE ARISE FROM COURSE OF DEALING, USAGE OF TRADE OR CUSTOM.

(b) IN NO EVENT SHALL ALTISOURCE OR ANY OF ITS DIRECTORS, OFFICERS, EMPLOYEES, LICENSORS, SUPPLIERS OR OTHER REPRESENTATIVES BE LIABLE FOR ANY INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGES, OR DAMAGES FOR LOSS OF PROFITS, BUSINESS INTERRUPTION, LOSS OF GOODWILL, COMPUTER FAILURE OR MALFUNCTION OR OTHERWISE, ARISING

FROM OR RELATING TO THIS AGREEMENT OR THE LICENSED MARK, EVEN IF ALTISOURCE IS EXPRESSLY ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. The foregoing limitation of liability and exclusion of certain damages shall apply regardless of the failure of essential purpose of any remedies available to either party.

Section 4.3 Non-Transferable Agreement. Licensed Users may not assign this Agreement and/or any rights and/or obligations hereunder without the prior written consent of Altisource and any such attempted assignment shall be void.

Section 4.4 Remedies. Licensed Users acknowledge that a material breach of Licensed Users' obligations under this Agreement would cause Altisource irreparable damage. Accordingly, Licensed Users agree that in the event of such breach or threatened breach, in addition to remedies at law, Altisource shall have the right to enjoin Licensed Users from the

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unlawful and/or unauthorized use of the Licensed Trade Name and/or the Licensed Mark and other equitable relief to protect Altisource's rights in the Licensed Mark.

Section 4.5 Integration. This Agreement contains the entire agreement of the Parties. No promise, inducement, representation or agreement, other than as expressly set forth herein, has been made to or by the Parties hereto. All prior agreements and understandings related to the subject matter hereof, whether written or oral, are expressly superseded hereby and are of no further force or effect.

Section 4.6 Binding Agreement. This Agreement shall be binding upon the Parties' permitted assigns and successors and references to each Party shall include such assigns and successors.

Section 4.7 Amendment. This Agreement cannot be altered, amended or modified in any respect, except by a writing duly signed by both Parties.

Section 4.8 No Strict Construction. The normal rule of construction to the effect that any ambiguities are to be resolved against the drafting Party shall not be employed in the interpretation of this Agreement. Headings are for reference and shall not affect the meaning of any of the provisions of this Agreement.

Section 4.9 Waiver. At no time shall any failure or delay by either party in enforcing any provisions, exercising any option, or requiring performance of any provisions, be construed to be a waiver of same.

Section 4.10 Governing Law and Jurisdiction. The provisions of this Agreement shall be governed by and construed in accordance with the laws of the State of New York (excluding any conflict of law rule or principle that would refer to the laws of another jurisdiction). Each Party hereto irrevocably submits to the jurisdiction of the state and federal courts located in New York in any action or proceeding arising out of or relating to this Agreement, and each Party hereby irrevocably agrees that all claims in respect of any such action or proceeding must be brought and/or defended in any such court; provided, however, that matters which are under the exclusive jurisdiction of the federal courts shall be brought in the Federal District Court for the District of New York. Each Party hereto consents to service of process by any means authorized by the applicable law of the forum in any action brought under or arising out of this Agreement, and each Party irrevocably waives, to the fullest extent each may effectively do so, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court. Notwithstanding the foregoing, (i) in the event that a court of competent jurisdiction determines that the choice of New York law in accordance with this Section 4.10 is unenforceable, this Agreement shall be governed by the laws of the U.S. Virgin Islands and (ii) in the event that a court of competent jurisdiction determines that the choice of New York jurisdiction in accordance with this Section 4.10 is unenforceable, any action or proceeding arising out of or relating to this Agreement shall be brought in the courts of the U.S. Virgin Islands.

Section 4.11 Attorney's Fees. In the event any suit or other legal proceeding is brought for the enforcement of any of the provisions of this Agreement, the Parties hereto agree that the prevailing party shall be entitled to recover from the other party upon final judgment on the merits reasonable attorneys' fees (and sales taxes thereon, if any), including attorneys' fees for any appeal, and costs incurred in bringing such suit or proceeding.

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Section 4.12 Relationship of the Parties. Nothing in this Agreement will be construed as creating a joint venture, partnership, or employment relationship between Altisource and any Licensed User. Neither Party will have the right, power or implied authority to create any obligation or duty on behalf of the other Party.

Section 4.13 Notices. Unless otherwise specified in this Agreement, all notices shall be in writing and delivered personally, mailed, first class mail, postage prepaid, or delivered by confirmed electronic or digital means, to the addresses set forth at the beginning of this Agreement and to the attention of the undersigned. Either Party may change the addresses or addressees for notice by giving notice to the other. All notices shall be deemed given on the date personally delivered, when placed in the mail as specified or when electronic or digital confirmation is received.

Section 4.14 Counterparts. This Agreement may be executed in counterparts, by manual or facsimile signature, each of which will be deemed an original and all of which together will constitute one and the same instrument.

[SIGNATURE PAGE FOLLOWS]

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

ALTISOURCE SOLUTIONS S.À. R.L.

ALTISOURCE ASSET MANAGEMENT CORPORATION

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(Signature)

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(Print)

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Title

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Date

(Signature)

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(Print)

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Title

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Date

[TRADEMARK LICENSE AGREEMENT — AAMC]

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**ASSET MANAGEMENT AGREEMENT** (the "Agreement"), dated as of [ ], 2012, between NEWSOURCE REINSURANCE COMPANY LTD., a company organized under the laws of Bermuda (the "Company"), and ALTISOURCE ASSET MANAGEMENT CORPORATION, a U.S. Virgin Islands corporation (the "Asset Manager").

## RECITALS

WHEREAS, the Company desires to retain the Asset Manager as its exclusive provider of asset management and corporate governance services, on the terms and conditions hereinafter set forth, and the Asset Manager wishes to be retained to provide such services.

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration, the parties hereby agree as follows:

### 1. Duties of the Asset Manager.

(a) The Company hereby employs the Asset Manager to provide asset management and corporate governance services to the Company, subject to the supervision of the Board of Directors of the Company (the "Board of Directors"), for the period and upon the terms herein set forth, in each case, (x) in accordance with the investment objectives, policies and restrictions set forth by the Board of Directors, and (y) in accordance with all other applicable federal, state and territorial laws, rules and regulations. Without limiting the generality of the foregoing, the Asset Manager shall, during the term and subject to the provisions of this Agreement, (i) assist the Company in its evaluation of the acquisition of one or more title insurance companies licensed to do business in the United States (individually or collectively, "TitleCo"), (ii) provide continuing administrative services to the Company, (iii) provide administrative oversight of Marsh IAS Management Services (Bermuda) Ltd. and its Management Agreement with the Company, (iv) assist with the selection and quarterly evaluation of the Company's investment manager, (v) advise the Company regarding its tax and expense allocations relating to its operations (vi) provide corporate governance services to the Company and (vii) provide the Company with such other research and related services as the Company may, from time to time, reasonably require.

(b) The Asset Manager hereby accepts such employment and agrees during the term hereof to render the services described herein for the compensation provided herein.

(c) The Asset Manager shall for all purposes herein provided be deemed to be an independent contractor and, except as expressly provided or authorized herein, shall have no authority to act for or represent the Company in any way or otherwise be deemed an agent of the Company.

(d) The Asset Manager shall keep and preserve for the period required by the Company any books and records relevant to the provision of its asset management and corporate governance services to the Company and shall specifically maintain all books and records with respect to the Company's portfolio transactions and shall render to the Company such periodic and special reports as the Company may reasonably request. The Asset Manager agrees that all records that it maintains for the Company are the property of the Company and will surrender

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promptly to the Company any such records upon the Company's request, provided that the Asset Manager may retain a copy of such records.

(e) The Asset Manager is the sole holder of common stock of the Company. The Asset Manager shall vote its shares of common stock in the Company independently of its obligations under this Agreement and without regard to the effects of such vote on the Company.

### 2. Devotion of Time; Additional Activities. Managers, partners, officers, employees, personnel and agents of the Asset Manager or affiliates of the Asset Manager may serve as directors, officers, employees, personnel, agents, nominees or signatories for the Company, to the extent permitted by their governing documents or by any resolutions duly adopted by the Board of Directors pursuant to the Company's governing documents. When executing documents or otherwise acting in such capacities for the Company, such persons shall use their respective titles in the Company.

### 3. The Company's Responsibilities and Expenses Payable by the Company. All employees of the Asset Manager and its staff, when and to the extent engaged in providing asset management and corporate governance services hereunder, and the compensation and routine overhead expenses of such personnel allocable to such services, will be provided and paid for by the Asset Manager and not by the Company. The Company will bear all other costs and expenses of its operations and transactions, including (without limitation) those relating to: (i) formation and qualification; (ii) fees and expenses incurred by the Asset Manager payable to third parties, including agents, consultants or other advisors, in monitoring financial and legal affairs for the Company and in performing due diligence on its prospective investments; (iii) interest payable on debt, if any, incurred to finance the Company's investments; (iv) asset management fees; (v) fees payable to third parties, including agents, consultants or other advisors, relating to, or associated with, evaluating and making investments; (vi) federal, state and territorial registration fees, if any; (vii) the Company's allocable portion of the directors and officers/errors and omissions liability insurance, and any other insurance premiums; direct costs and expenses of administration, including printing, mailing, long distance telephone, copying, secretarial and other staff, independent auditors and outside legal costs and (viii) all other expenses incurred by the Company in connection with administering the Company's business.

### 4. Compensation of the Asset Manager.

(a) The Company agrees to pay, and the Asset Manager agrees to accept, as compensation for the services provided by the Asset Manager hereunder, an annual management fee (the "Management Fee") on each anniversary of the date hereof equal to \$840,000; provided that the Management Fee shall be increased on each such anniversary date in an amount equal to the product of (i) \$840,000 and (ii) the percentage increase, if any, in the CPI over the immediately preceding 12-month period. For purposes of this Agreement, "CPI" shall mean the Consumer Price Index, All Urban Consumers, United States, All Items (1982 - 1984 = 100), as published by the Bureau of Labor Statistics of the United States Department of Labor, or any successor index thereto.

(b) The Company shall make any payments due hereunder to the Asset Manager or to the Asset Manager's designee as the Asset Manager may otherwise direct.

### 5. Regulatory Matters. The Company acknowledges that the Asset Manager is not registered as an investment adviser under the Investment Advisers Act of 1940, as amended (the "Advisers Act") and that the parties do not anticipate that the Asset Manager shall be required to so register in connection with the provision of asset management services by the Asset Manager

pursuant to this Agreement since the Asset Manager is not providing advice to the Company with respect to the purchase, sale or investment of securities as defined under the Advisers Act. Notwithstanding anything contained herein to the contrary, each of the parties acknowledges and agrees that in the event the services to be provided by the Asset Manager pursuant to the terms of this Agreement are expanded, the Asset Manager may be required to register under the Advisers Act; *provided, however*, the Asset Manager shall not be required to perform any additional services pursuant to this Agreement if the Asset Manager determines in its sole discretion that the provision of such services will require the Asset Manager to register under the Advisers Act. The Asset Manager agrees that its activities will at all times be in compliance in all material respects with all applicable federal, state and territorial laws governing its operations and investments.

6. Employment of the Asset Manager.

(a) The Asset Manager may engage in any other business or render similar or different services to others including, without limitation, the direct or indirect sponsorship or management of other investment based accounts or commingled pools of capital, however structured, having investment objectives similar to those of the Company, so long as its services to the Company hereunder are not impaired thereby, and nothing in this Agreement shall limit or restrict the right of any manager, partner, officer or employee of the Asset Manager to engage in any other business or to devote his or her time and attention in part to any other business, whether of a similar or dissimilar nature, or to receive any fees or compensation in connection therewith. The Asset Manager assumes no responsibility under this Agreement other than to render the services called for hereunder. It is understood that directors, officers, employees, partners and shareholders of the Company are or may become interested in the Asset Manager and its affiliates, as directors, officers, employees, partners, stockholders, members, asset managers or otherwise, and that the Asset Manager and directors, officers, employees, partners, stockholders, members and managers of the Asset Manager and its affiliates are or may become similarly interested in the Company as shareholders or otherwise.

(b) During the term of this Agreement, (i) the Asset Manager shall be the exclusive provider of asset management and corporate governance services to the Company, and (ii) the Company shall not employ or contract with any other party to receive the same or substantially similar services as set forth herein without the prior written consent of the Asset Manager, which may be withheld by the Asset Manager in its sole discretion.

7. Responsibility of Dual Directors, Officers and/or Employees. If any person who is a manager, partner, officer or employee of the Asset Manager is or becomes a director, officer and/or employee of the Company and acts as such in any business of the Company, then such manager, partner, officer and/or employee of the Asset Manager shall be deemed to be acting in such capacity solely for the Company, and not as a manager, partner, officer or employee of the Asset Manager or under the control or direction of the Asset Manager, even if paid by the Asset Manager.

8. Limitation of Liability of the Asset Manager; Indemnification. The Asset Manager (and its officers, managers, partners, agents, employees, controlling persons, members and any other person or entity affiliated with the Asset Manager) shall not be liable to the

Company for any action taken or omitted to be taken by the Asset Manager in connection with the performance of any of its duties or obligations under this Agreement or otherwise as an asset manager of the Company with respect to the receipt of compensation for services, and the Company shall indemnify, defend and protect the Asset Manager (and its officers, managers, partners, agents, employees, controlling persons, members and any other person or entity affiliated with the Asset Manager, each of whom shall be deemed a third party beneficiary hereof) (collectively, the “Indemnified Parties”) and hold them harmless from and against all damages, liabilities, costs and expenses (including reasonable attorneys’ fees and amounts reasonably paid in settlement) incurred by the Indemnified Parties in or by reason of any pending, threatened or completed action, suit, investigation or other proceeding (including an action or suit by or in the right of the Company or its shareholders) arising out of or otherwise based upon the performance of any of the Asset Manager’s duties or obligations under this Agreement or otherwise as an asset manager of the Company. Notwithstanding the preceding sentence of this Paragraph 8 to the contrary, nothing contained herein shall protect or be deemed to protect the Indemnified Parties against or entitle or be deemed to entitle the Indemnified Parties to indemnification in respect of, any liability to the Company or its shareholders, to which the Indemnified Parties would otherwise be subject by reason of willful misfeasance, bad faith or gross negligence in the performance of the Asset Manager’s duties or by reason of the reckless disregard of the Asset Manager’s duties and obligations under this Agreement.

9. No Joint Venture. Nothing in this Agreement shall be construed to make the Company and the Asset Manager partners or joint venturers or impose any liability as such on either of them.

10. Term; Termination.

(a) Until this Agreement is terminated in accordance with its terms, this Agreement shall be in effect until [ , 2027] (the “Initial Term”) and shall be automatically renewed for a one-year term each anniversary date thereafter (a “Renewal Term”) unless at least two-thirds of the Independent Directors (as defined herein) agree that (x) there has been unsatisfactory performance by the Asset Manager that is materially detrimental to the Company or (y) the compensation payable to the Asset Manager hereunder is unreasonable; *provided* that the Company shall not have the right to terminate this Agreement under clause (y) above if the Asset Manager agrees to continue to provide the services under this Agreement at a reduced fee that at least two-thirds of the Independent Directors determines to be reasonable pursuant to the procedure set forth below. If the Company elects not to renew this Agreement at the expiration of the Initial Term or any Renewal Term as set forth above, the Company (the “Terminating Party”), shall deliver to the Asset Manager prior written notice (the “Termination Notice”) of the Terminating Party’s intention not to renew this Agreement based upon the terms set forth in this Section 10(a) not less than 180 days prior to the expiration of the then existing term. If the Terminating Party so elects not to renew this Agreement, the Terminating Party shall designate the date (the “Effective Termination Date”), not less than 180 days from the date of the notice, on which the Asset Manager shall cease to provide services under this Agreement, and this Agreement shall terminate on such date; *provided, however*, that in the event that such Termination Notice is given in connection with a determination that the compensation payable to the Asset Manager is unfair, the Asset Manager shall have the right to renegotiate such compensation by delivering to the Company, no fewer than 45 days prior to the prospective

Effective Termination Date, written notice (any such notice, a “Notice of Proposal to Negotiate”) of its intention to renegotiate its compensation under this Agreement. Thereupon, the Company (represented by the Independent Directors) and the Asset Manager shall endeavor to negotiate in good faith the revised compensation payable to the Asset Manager under this Agreement. *Provided* that the Asset Manager and at least two-thirds of the Independent Directors agree to the terms of the revised compensation to be payable to the Asset Manager within 45 days following the receipt of the Notice of Proposal to Negotiate, the Termination Notice shall be deemed of no force and effect and this Agreement shall continue in full force and effect on the terms stated in this Agreement, except that the compensation payable to the Asset Manager hereunder shall be the revised compensation then agreed upon by the parties to this Agreement. Each of the parties agrees to execute and deliver an amendment to this Agreement setting forth such revised compensation promptly upon reaching an agreement regarding same. In the event that the Company and the Asset Manager are unable to agree to the terms of the revised compensation to be payable to the Asset Manager during such 45-day period, this Agreement shall terminate, such termination to be effective on the date which is the later of (A) 10 days following the end of such 45-day period and (B) the Effective Termination Date originally set forth in the Termination Notice. For purposes of this Agreement, “Independent Directors” shall mean the members of the Board of Directors who are not officers or employees of the Asset Manager or any person or entity directly or indirectly controlling or controlled by the Asset Manager, and who are otherwise “independent” in accordance with the Company’s organizational documents.

(b) In recognition of the level of the upfront effort required by the Asset Manager to structure and acquire the assets of the Company and the commitment of resources by the Asset Manager, in the event that this Agreement is terminated in accordance with the provisions of Section 10(a) of this Agreement, the Company shall pay to the Asset Manager, on the date on which such termination is effective, a termination fee (the “Termination Fee”) equal to five (5) times the Management Fee. The obligation of the Company to pay the Termination Fee shall survive the termination of this Agreement.

(c) No later than 180 days prior to the anniversary date of this Agreement of any year during the Initial Term or Renewal Term, the Asset Manager may deliver written notice to the Company informing it of the Asset Manager’s intention to decline to renew this Agreement, whereupon this Agreement shall not be renewed and extended and this Agreement shall terminate effective on the anniversary date of this Agreement next following the delivery of such notice. The Company is not required to pay to the Asset Manager the Termination Fee if the Asset Manager terminates this Agreement pursuant to this Section 10(c).

(d) If this Agreement is terminated pursuant to Section 10, such termination shall be without any further liability or obligation of either party to the other, except as provided in Sections 1(d), 3, 10(b), 11(b), 11(c) and 12 of this Agreement. In addition, Sections 8 and 16 of this Agreement shall survive termination of this Agreement.

11. Termination for Cause.

(a) The Company may terminate this Agreement effective upon 30 days’ prior written notice of termination from the Board of Directors to the Asset Manager, without payment of any Termination Fee, if (i) the Asset Manager, its agents or its assignees materially breaches

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any provision of this Agreement and such breach shall continue for a period of 30 days after written notice thereof specifying such breach and requesting that the same be remedied in such 30-day period (or 60 days after written notice of such breach if the Asset Manager takes steps to cure such breach within 30 days of the written notice), (ii) the Asset Manager engages in any act of fraud, misappropriation of funds, or embezzlement against the Company, (iii) there is an event of any gross negligence on the part of the Asset Manager in the performance of its duties under this Agreement, (iv) there is a commencement of any proceeding relating to the Asset Manager’s bankruptcy or insolvency, including an order for relief in an involuntary bankruptcy case or the Asset Manager authorizing or filing a voluntary bankruptcy petition, or (v) there is a dissolution of the Asset Manager.

(b) The Asset Manager may terminate this Agreement effective upon 60 days’ prior written notice of termination to the Company in the event that the Company shall default in the performance or observance of any material term, condition or covenant contained in this Agreement and such default shall continue for a period of 30 days after written notice thereof specifying such default and requesting that the same be remedied in such 30-day period (or 60 days after written notice of such breach if the Company takes steps to cure such breach within 30 days of the written notice). The Company is required to pay to the Asset Manager the Termination Fee if the termination of this Agreement is made pursuant to this Section 11(b).

(c) The Asset Manager may terminate this Agreement in the event the Company becomes regulated as an “investment company” under the Investment Company Act of 1940, as amended, with such termination deemed to have occurred immediately prior to such event. The Company shall pay to the Asset Manager the Termination Fee in the event that this Agreement is terminated pursuant to this Section 11(c).

12. Action Upon Termination. From and after the effective date of termination of this Agreement, pursuant to Sections 10 or 11 of this Agreement, the Asset Manager shall not be entitled to compensation for further services under this Agreement, but shall be paid all compensation accruing to the date of termination and, if terminated pursuant to Sections 10(a), 11(b) or 11(c), the applicable Termination Fee. Upon such termination, the Asset Manager shall deliver to the Board of Directors all property and documents of the Company then in the custody of the Asset Manager.

13. Notices. Any notice under this Agreement shall be given in writing, addressed and delivered or mailed, postage prepaid, to the other party at its principal office.

14. Amendments. This Agreement may be amended by mutual consent of the parties.

15. Entire Agreement; Governing Law. This Agreement contains the entire agreement of the parties and supersedes all prior agreements, understandings and arrangements with respect to the subject matter hereof. This Agreement shall be construed in accordance with the laws of Bermuda.

*[The remainder of this page intentionally left blank]*

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

**NEWSOURCE REINSURANCE COMPANY LTD**

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

**ALTISOURCE ASSET MANAGEMENT CORPORATION**

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

[ASSET MANAGEMENT AGREEMENT]

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**SHAREHOLDERS' AGREEMENT** (the "Agreement"), dated as of [ ], 2012, among ALTISOURCE ASSET MANAGEMENT CORPORATION, a U.S. Virgin Islands corporation ("AAMC"), ALTISOURCE RESIDENTIAL, L.P., a Delaware limited partnership ("ARLP") (AAMC and ARLP are hereinafter sometimes referred to collectively as the "Shareholders" and individually as a "Shareholder"), and NEWSOURCE REINSURANCE COMPANY LTD., a company organized under the laws of Bermuda (the "Company").

## RECITALS

WHEREAS, as of the date hereof, the Company is authorized to issue [ ] common shares, par value US\$0.01 per share (the "Common Shares") and [ ] preferred shares, par value US\$0.01 per share (the "Preferred Shares"), and all of the issued and outstanding Common Shares, consisting of 2,000,000 Common Shares, are held by AAMC, and all of the issued and outstanding Preferred Shares, consisting of 18,000,000 Preferred Shares, are held by ARLP.

NOW, THEREFORE, in consideration of the mutual promises of the parties hereto and of the mutual benefits to be gained by the performance thereof and for other good and valuable consideration, the receipt, adequacy and sufficiency of which is hereby acknowledged, the parties hereto for themselves, their heirs, executors, administrators, successors and assigns do hereby agree as follows:

### 1. ADMISSION OF ADDITIONAL SHAREHOLDERS.

1.1. Notwithstanding anything contained in this Agreement to the contrary, this Agreement shall not be amended to include any additional shareholders without the prior written consent of AAMC at its sole discretion. The Company may not grant rights to any shareholder that are substantially similar to the rights granted to the Shareholders under this Agreement.

### 2. DISPOSITION OF SHARES.

2.1. Transfers Generally. No Shareholder shall Transfer any Company Securities without the prior written consent of AAMC and, if required, prior approval of the Exchange Control Division of the Bermuda Monetary Authority, except as otherwise provided pursuant to this Article 2.

2.2. Transfers to Affiliates. A Shareholder shall be free at any time to Transfer shares of Company Securities to a Person who is an Affiliate of such Shareholder. A Shareholder also may Transfer Company Securities involuntarily by operation of law. Unless the Company and each of the Shareholders otherwise agree in writing, a transferee of any such permitted Transfer shall acquire and hold the transferred Company Securities, as the case may be, subject to any rights, restrictions and obligations of the transferor and shall be otherwise subject to the terms of this Agreement.

#### 2.3. Tag-Along Rights.

(a) If AAMC proposes to Transfer any or all of its shares of Company Securities to one or more party(ies) (the "Tag Purchaser"), AAMC shall provide not less than forty-five (45) days prior written notice (the "Tag Notice") to ARLP of such

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proposed sale, stating (i) AAMC's bona fide intention to Transfer such Company Securities (the "Initial Tag Securities"), (ii) the number of Initial Tag Securities to be Transferred, and (iii) the price and terms, if any, upon which it proposes to Transfer the Initial Tag Securities. Upon receipt of a Tag Notice, ARLP may elect to exercise its tag along rights to sell Company Securities to the Tag Purchaser (up to an amount calculated in accordance with paragraph (b) below) at any time within three (3) days following the determination of the Per Share Fair Market Value of the Additional Tag Securities (as defined below) by delivering a written notice of acceptance (the "Notice of Acceptance") stating the number of Company Securities that it desires to sell. If the price at which the Initial Tag Securities are to be sold under this Section 2.3 is changed after ARLP has elected to be included in such Transfer, AAMC shall promptly give written notice to ARLP, and ARLP shall have a period of five (5) days from its receipt of such notice to notify AAMC that it has elected to revoke its election to participate in such sale.

(b) Upon the written request of ARLP in accordance with Section 2.3(a) above, AAMC covenants and agrees to include in such Transfer, and ARLP shall be entitled to sell to such Tag Purchaser, upon terms and conditions that are the same as the terms and conditions under which AAMC proposes to Transfer the Initial Tag Securities and a per share price equal to the Per Share Fair Market Value, that number of Preferred Shares ("Additional Tag Securities") up to the product of (i) the number of Preferred Shares held by ARLP immediately prior to the consummation of such Transfer and (ii) a fraction, the numerator of which is the number of Common Shares that the Tag Purchaser intends to purchase from AAMC and the denominator of which is the sum of the aggregate number of Common Shares owned, in the aggregate, by all Shareholders immediately prior to the consummation of such Transfer.

(c) AAMC shall use its reasonable efforts to obtain the agreement of the Tag Purchaser to the participation of ARLP in the Transfer, and AAMC shall not consummate the proposed Transfer of the Initial Tag Securities to the Tag Purchaser unless (i) the Tag Purchaser agrees to the participation of ARLP as contemplated by this Agreement, or (ii) AAMC agrees to purchase the Additional Tag Securities on the same terms as ARLP would have been entitled to sell them to the Tag Purchaser for under this Section 2.3. The number of Initial Tag Securities sold by AAMC to the Tag Purchaser shall be reduced by the number of Common Shares having an aggregate purchase price (as such price is set forth in the Tag Notice) equal to the purchase price for the Additional Tag Securities to be paid by the Tag Purchaser to ARLP pursuant to this Section 2.3.

#### 2.4. Drag-Along Rights.

(a) Subject to Section 2.5 hereto, if any Person (or group of Persons) that is not a Shareholder or an Affiliate thereof makes a *bona fide* offer to engage in any transaction or series of transactions that would result in a Change of Control, and such transaction or transactions are approved by AAMC (such transaction or transactions, a "Drag-Along Sale", AAMC shall have the right (a "Drag-Along Right"), but not the obligation, to require ARLP (the "Dragged Person") to tender for purchase to the proposed Transferee, on the same terms and conditions as apply to AAMC and a per share price equal to the Per Share Fair Market Value, that number of Preferred Shares up

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to the product of (i) the number of Preferred Shares held by ARLP immediately prior to the consummation of such Drag-Along Sale and (ii) a fraction, the numerator of which is the number of Common Shares being sold by all holders of Common Shares in such Drag-Along Sale and the denominator of which is the sum of the aggregate number of Common Shares owned, in the aggregate, by all Shareholders immediately prior to the consummation of such Drag-Along Sale; provided, the Dragged Person, in its capacity as a Shareholder, shall also vote in favor of any Drag-Along Sale to the extent such transaction(s) requires the approval of the Shareholders, provided the terms of the Drag-Along Sale are consistent with this Section 2.4 and Section 2.5 below.

(b) If AAMC elects to exercise its Drag-Along Right under this Section 2.4, AAMC shall give the Dragged Person, at least forty-five (45) days prior to the proposed Drag-Along Sale, a written notice (a "Drag-Along Notice") containing (i) the number of Company Securities proposed to be Transferred in such Drag-Along Sale (with warrants, options, convertible securities and other common equivalents counted on an as-converted or as-exercised basis) (the "Drag-Along Terms"), (ii) the name and address of the proposed transferee and (iii) the consideration for which the Transfer is proposed to be made (subject to the determination of the Per Share Fair Market Value of the Preferred Shares proposed to be Transferred in the Drag-Along Sale), and all other material terms and conditions of the Drag-Along Terms, including the form of the proposed agreement, if any. Upon the receipt of a Drag-Along Notice and the determination of the Per Share Fair Market Value of the Preferred Shares to be Transferred in the Drag-Along Sale, the Dragged Person shall be obligated to sell such Preferred Shares held by the Dragged Person.

(c) No later than five (5) Business Days prior to the proposed closing for the Drag-Along Sale, the Dragged Person shall deliver to the Company (or its designated agent) (i) the certificate or certificates, if any, representing the Company Securities of the Dragged Person to be included in the Drag-Along Sale, together with a limited power-of-attorney authorizing AAMC to Transfer such Company Securities on the terms set forth in the Drag-Along Notice or, in the case of Company Securities held in book-entry form or through direct registration, shall make other delivery arrangements reasonably satisfactory to the Company and (ii) wire transfer instructions for payment of the purchase price for the Company Securities to be sold in such Drag-Along Sale. If the Dragged Person fails to make the deliveries described in this paragraph within the prescribed time, the Company shall have the right, but not the obligation, to redeem, immediately prior to the consummation of the Drag-Along Sale, the Company Securities of the Dragged Person at a redemption price equal to the consideration set forth in the Drag-Along Notice, payable upon the terms and subject to the conditions contained in the Drag-Along Notice.

(d) AAMC shall Transfer, on behalf of itself and the Dragged Person, the Company Securities subject to the Drag-Along Sale at the same time and, except as permitted in Section 2.5(a) below, on the same terms and conditions as set forth in the Drag-Along Notice. Concurrently with the consummation of the Drag-Along Sale, (i) AAMC shall notify the Dragged Person thereof (including identifying the manner of delivery for any non-cash consideration) and (ii) the total consideration due to the

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Dragged Person shall be remitted to such party, with the cash portion of the purchase price paid by wire transfer of immediately available funds in accordance with the wire transfer instructions of the Dragged Person. Promptly after the consummation of such Drag-Along Sale, AAMC shall furnish such other evidence of the completion and the date of completion of such Transfer as may be reasonably requested by the Dragged Person.

(e) If AAMC has not completed the Transfer of all such Company Securities on the same terms and conditions as set forth in the Drag-Along Notice (except as permitted in Section 2.5(a) below) within 90 calendar days of the date of the Drag-Along Notice (which 90 calendar day period shall be extended if any of the transactions contemplated by the Drag-Along Sale are subject to regulatory approval until the expiration of five (5) Business Days after all such approvals have been received, but in no event later than 180 calendar days from the date of the Drag-Along Notice), (i) the Company (or its designated agent) shall return to the Dragged Person, to the extent previously provided, the limited power-of-attorney (and all copies thereof) together with all Company Securities, including the certificates representing the Company Securities, if any, that the Dragged Person delivered for Transfer pursuant to this Section 2.4 and any other documents executed by the Dragged Person in connection with the proposed Drag-Along Sale and (ii) AAMC shall not conduct any Transfer of Company Securities prior to the return to the Dragged Person of all documents referred to in clause (i) and without again complying with this Section 2.4.

(f) The Company shall, and shall cause its employees, accountants and other advisors, representatives and agents to, use its and their commercially reasonable efforts to take all reasonable and necessary action to assist AAMC in its efforts to effect a Drag-Along Sale, including permitting *bona fide* prospective purchasers to conduct customary due diligence of the Company in a reasonable manner, during regular business hours and upon reasonable advance notice, subject to (i) the execution and delivery of a customary confidentiality agreement with the Company and (ii) the Company's and the compliance of the board of directors of the Company (the "Board of Directors") with applicable laws, rules, regulations and orders and any restrictions or commitments in any contracts or agreements to which the Company or any of its subsidiaries is a party or by which it or any of them is bound.

2.5. Additional Conditions to Drag-Along Sales. Notwithstanding anything contained in Section 2.4 hereto, the obligations of Shareholders to participate in a Drag-Along Sale are subject to the following conditions:

(a) upon the consummation of such Drag-Along Sale, each holder of each class or series of the Company Securities will receive the same form of consideration for their shares of such class or series as is received by other holders in respect of their shares of such same class or series of Company Securities;

(b) subject to Section 2.5(a) requiring the same form of consideration to be available to the holders of any single class or series of Company Securities, if any holders of any Company Securities are given an option as to the form and amount of

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consideration to be received as a result of the Drag-Along Sale, all holders of such Company Securities will be given the same option; provided, however, that nothing in this Section 2.5(b) shall entitle any holder to receive any form of consideration that such holder would be ineligible to receive as a result of such holder's failure to satisfy any condition, requirement or limitation that is generally applicable to the Company's shareholders.

(c) no Person shall be obligated pursuant to this Agreement to pay any expenses incurred in connection with any unconsummated Drag-Along Sale and each Shareholder shall be obligated to pay only its *pro rata* share (based on the number of Company Securities Transferred) of expenses incurred in connection with a consummated Drag-Along Sale; and

(d) the Draggged Person shall (i) make such representations, warranties and covenants and enter into such definitive agreements as are customary for transactions of the nature of the proposed Transfer and as are the same as those applicable to AAMC; provided that, if the Draggged Person is required to provide any representations or indemnities in connection with such Transfer (other than representations and indemnities concerning the Draggged Person's title to the Company Securities and authority, power and right to enter into and consummate the Transfer without contravention of any law or agreement), liability for misrepresentation or indemnity shall (as to the Draggged Person) be expressly stated to be several but not joint and the Draggged Person shall not be liable for more than the net proceeds received by such Shareholder in connection with such Transfer; provided, further that, the Draggged Person shall not be required to provide any representations or warranties other than with respect to each such Shareholder's title to the shares of Company Securities and authority, power and right to enter into and consummate the Transfer without contravention of any law or agreement (the "Non-Title Representations"), but each Shareholder may be required to bear its proportionate share of any indemnity, escrow, holdback or adjustment in purchase price in connection with any Non-Title Representations; provided, further that, no Shareholder will be required or deemed to have agreed to any noncompete, nonsolicitation or any other nonfinancial terms without its express written consent, (ii) be subject to and benefit from all of the same provisions of the definitive agreements as AAMC, and (iii) be required to bear their proportionate share of any escrows, holdbacks or adjustments in purchase price.

### 3. CONFIDENTIAL INFORMATION

Each Shareholder (and for the purposes of this Article 3, each Shareholder shall be deemed to include shareholders, members or owners of Shareholders) shall keep Business Information confidential, and shall not use or disclose Business Information in any manner whatsoever, in whole or in part, without the Company's prior written consent, or, in the event the Company has dissolved, the prior written consent of each of the Shareholders of the Company at the time of its dissolution, unless such confidential information (a) is known or becomes known to the public in general (other than as a result of a breach of this Article 3 by the Shareholders), (b) is or has been independently developed or conceived by the Shareholders without use of the Company's confidential information, or (c) is or has been made known or disclosed to the Purchasers by a third party without a breach of any obligation of confidentiality such third party

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may have to the Company; provided, however, that each Shareholder may disclose confidential information (i) to its attorneys, accountants, consultants, and other professionals to the extent necessary to obtain their services in connection with monitoring its investment in the Company, (ii) to any prospective purchaser of any shares of Company Securities of the Company, if such prospective purchaser agrees to be bound by the provisions of this Article 3, (iii) to any Affiliate, member, or wholly owned subsidiary of the Shareholder in the ordinary course of business, provided that the Shareholder informs such Person that such information is confidential and directs such Person to maintain the confidentiality of such information, or (iv) as may otherwise be required by law, provided that the Shareholder promptly notifies the Company of such disclosure and takes reasonable steps to minimize the extent of any such required disclosure.

### 4. MISCELLANEOUS PROVISIONS.

4.1. Termination. This Agreement shall terminate upon the earlier to occur of (i) the consummation of a Qualified IPO or (ii) the execution of a written agreement by each of the Shareholders to terminate this Agreement.

4.2. Insurance. The Company shall obtain, within ninety (90) days of the date hereof, from financially sound and reputable insurers, Directors and Officers Liability and Errors and Omissions insurance (the "D&O Policy") in an amount satisfactory to the Board of Directors, and will cause the D&O Policy to be maintained during the term of this Agreement.

4.3. Amendment. This Agreement may only be amended by written instrument executed by all of the Shareholders.

4.4. Application of Bermuda Law. This Agreement, including its application and interpretation, shall be governed exclusively by the laws of Bermuda.

4.5. Execution of Additional Instruments. Each Shareholder hereby agrees to execute such other and further statements of interest and holdings, designations, powers of attorney and other instruments necessary to comply with any laws, rules or regulations.

4.6. Construction. Whenever the singular form is used in this Agreement, if required by the context, the same shall include the plural, and vice versa. Whenever the masculine gender is used in this Agreement, if required by the context, the same shall include the feminine and neuter genders, and vice versa.

4.7. Headings. The headings in this Agreement are inserted for convenience only and are in no way intended to describe, interpret, define, or limit the scope, extent or intent of the Agreement or any provision hereof.

4.8. Waivers. No waiver by any party hereto of any breach of covenant, condition or term hereof, whether intentional or not, shall be deemed to extend to any prior or subsequent breach of any covenant, condition or term hereof or affect in any way any rights arising by virtue of any such prior or subsequent occurrence.

4.9. Rights and Remedies Cumulative. The rights and remedies provided by this Agreement are cumulative and the use of any one right or remedy by any party shall not

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preclude or waive the right of such party to use any or all other available remedies. Such rights and remedies are given in addition to any other rights the parties may have by law, statute, ordinance or otherwise.

4.10. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original but all of which shall constitute one and the same instrument.

4.11. Further Assurances. The Shareholders each agree to cooperate, and to execute and deliver in a timely fashion any and all additional documents necessary to effectuate the purposes of the Company and this Agreement.

4.12. Notices. All notices, consents, requests and other communications hereunder shall be in writing and shall be sent by hand delivery, by certified or registered mail (return-receipt requested) or by a recognized national overnight courier service. Notices delivered pursuant to this Section shall be deemed given: at the time delivered, if personally delivered; three (3) business days after being deposited in the mail, if mailed; and one (1) business day after timely delivery to the courier, if by overnight courier service. Any party may change the address to which notice is to be sent by written notice to the other parties hereto in accordance with this Section 4.12.

4.13. Entire Agreement. This Agreement and any exhibits, schedules and appendices 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.

4.14. Independence/No Duty. AAMC shall vote its Common Shares independently of its obligations under any contractual agreement with ARLP and without regard to the effects of such vote on ARLP. ARLP hereby confirms that AAMC has no duty to consider the views or interests of ARLP in voting its Common Shares and will not request that AAMC vote such shares in any particular way.

## 5. DEFINITIONS

As used herein, the following terms shall have the following meanings:

“Affiliate” means, with respect to any Person, another Person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with the Person specified.

“Business Day” means a day other than Saturday, Sunday or any day on which banks in New York, New York or Bermuda are authorized or obligated to close.

“Business Information” shall mean any confidential or non-public information about the business of the Company, including, without limitation, information relating to customer contacts, business plans, financial information, contracts, records, notes or analyses or the ownership of the Company or any of its Affiliates.

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“Change of Control” shall mean (a) the sale, exclusive license or other disposition of all or substantially all of the assets of the Company in any single transaction or series of related transactions, other than to an Affiliate, (b) the sale of all of the Common Shares held by AAMC, or (c) any merger, amalgamation, reorganization, consolidation or other transaction or series of transactions (other than with an Affiliate) involving the Company which results in the holders of Common Shares outstanding immediately prior to such transaction(s) failing to continue to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity) more than fifty percent (50%) of the combined voting power of the voting securities of the Company or the surviving entity outstanding immediately after such transaction(s).

“Company Securities” means (a) Common Shares and Preferred Shares (whether now outstanding or hereafter issued in any context), and (b) Common Shares or Preferred Shares issued or issuable upon exercise or conversion, as applicable, of stock options, warrants or other convertible securities of the Company, in each case now owned or subsequently acquired.

“Control” of a Person means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ability to exercise voting power, by contract or otherwise. “Controlling” and “Controlled” have meanings correlative thereto.

“Per Share Fair Market Value” shall mean the fair market value as determined by (i) an independent appraiser acceptable to AAMC and ARC, or, if AAMC and ARC cannot agree on such an appraiser, (ii) an independent appraiser selected by each of them in which case the fair market value shall be the median of the appraisals made by such appraisers, and in each case of (i) and (ii), as determined on a per share basis within thirty (30) days of delivery of the Tag Notice or Drag-Along Notice, as applicable.

“Person” means an individual, partnership, corporation, business trust, joint stock company, estate, trust, unincorporated association, joint venture, Governmental Authority or other entity, of whatever nature.

“Qualified IPO” means the Company’s first underwritten public offering of its Common Shares under the Securities Act resulting in proceeds to the Company or such corporate successor in excess of \$20,000,000.

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

“Transfer” means, as a noun, any voluntary or involuntary transfer, sale, pledge, hypothecation, gift, or other disposition and, as a verb, voluntarily or involuntarily to transfer, sell, pledge, hypothecate, give, or otherwise dispose of. A Transfer of Company Securities held by a Shareholder shall also include any Transfer of such Shareholder or any direct or indirect interest in a Shareholder that constitutes a direct or indirect change of control of the Shareholder.

“Transferee” means the recipient of a Transfer.

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

**COMPANY:**

NEWSOURCE REINSURANCE COMPANY LTD.

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

**SHAREHOLDERS:**

ALTISOURCE ASSET MANAGEMENT CORPORATION

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

ALTISOURCE RESIDENTIAL, L.P.

By: Altisource Residential GP, LLC, its general partner

By: Altisource Residential Corporation, its sole member

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

[SHAREHOLDERS' AGREEMENT]

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**TITLE SERVICES AGREEMENT**, dated as of [ ], 2012 (the “Effective Date”), between NEWSOURCE REINSURANCE COMPANY LTD., a private limited liability company organized under the laws of Bermuda together with its subsidiaries and affiliates (“NEWSOURCE”) and ALTISOURCE SOLUTIONS S.À R.L., a private limited liability company organized under the laws of the Grand Duchy of Luxembourg (together with its subsidiaries and affiliates, “ALTISOURCE”).

## RECITALS

WHEREAS, NEWSOURCE desires to engage ALTISOURCE to provide various Services and/or Additional Services to NEWSOURCE pursuant to the terms and conditions set forth herein, and ALTISOURCE desires to provide such Services and/or Additional Services to NEWSOURCE.

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

### 1. Definitions.

For the purposes 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” 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 Title Services Agreement, including the Schedules hereto and any SOWs entered into pursuant to Section 2(b).

“BMA” means the Bermuda Monetary Authority.

“Fully Allocated Cost” means, with respect to provision of a Service and/or an Additional Service, the all-in actual cost of the provision of such Service and/or Additional Service by ALTISOURCE, including all amounts for compensation and benefits, technology expenses, occupancy, office and equipment expense, and third-party payments incurred in connection with the provision of such Service, plus applicable mark up agreed to by the parties,

including any Taxes payable as a result of performance of such Service and/or Additional Service.

“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.

“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.

“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, 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.

“Performance Fee” means an amount equal to 90% of NEWSOURCE’s income before taxes for each fiscal year (as determined in accordance with generally accepted accounting practices in the United States, applied consistently) minus all dividends paid or payable with respect to the holders of the preferred shares of NEWSOURCE which accrued during such fiscal year, payable in accordance with Section 4.

“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.

“Services” means services that may be provided by ALTISOURCE to NEWSOURCE and set forth on Schedule I and any SOWs related thereto.

“SOW” means a statement of work entered into between the parties on an as-needed basis to describe an Additional Service to be performed hereunder. Any SOW shall be agreed to by each party, shall be in writing and (I) shall contain: (i) a description of the services to be performed thereunder; (ii) the applicable performance standard for the provision of such service, if different from the Performance Standard; (iii) the amount, schedule and method of compensation for provision of such service, which shall estimate the Fully Allocated Cost of such service; and (II) may contain (i) NEWSOURCE’s standard operating procedures for receipt of services similar to such service, including NEWSOURCE’s compliance requirements and related training schedules; (ii) information technology support requirements of NEWSOURCE

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 except to the extent of a conflict between a provision of this Agreement and the SOW, in which case, the terms of the SOW shall control.

2. Provision of Services.

(a) *Generally.* Subject to the terms and conditions of this Agreement, (i) ALTISOURCE shall provide, or cause to be provided, to NEWSOURCE, solely for the benefit of the NEWSOURCE business in the ordinary course of business, the Services, in each case for periods commencing on the Effective Date through the Initial Term or Renewal Term, as the case may be (the "Service Period"), unless such period is earlier terminated in accordance with Section 5.

(b) *Additional Services.* In addition to the Services provided as 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 (the "Additional Services").

(c) The Services and the Additional Services shall be performed on business days during hours that constitute regular business hours for each of NEWSOURCE and ALTISOURCE, unless otherwise agreed. NEWSOURCE, shall not resell, subcontract, license, sublicense or otherwise transfer any of the Services and/or Additional Services to any Person whatsoever or permit use of any of the Services and/or Additional Services by any Person other than by NEWSOURCE directly in connection with the conduct of NEWSOURCE's respective business in the ordinary course of business.

(d) Unless agreed separately by the parties, ALTISOURCE shall have the exclusive right to select, employ, pay, supervise, administer, direct and discharge any of its employees who will perform Services and/or Additional Services. ALTISOURCE shall be responsible for paying such employees' compensation and providing to such employees any benefits. With respect to each Service and/or Additional Service, ALTISOURCE shall use commercially reasonable efforts to have qualified individuals participate in the provision of such Service and/or Additional Service; provided, however, that (i) ALTISOURCE shall not be obligated to have any individual participate in the provision of any Service and/or Additional Service if ALTISOURCE determines that such participation would adversely affect ALTISOURCE or its Affiliates; and (ii) none of ALTISOURCE or its Affiliates shall be required to continue to employ any particular individual during the applicable Service Period.

(e) ALTISOURCE may engage third-party contractors, at a reasonable cost, to perform any of the Services and/or Additional Services, to provide professional services related to any of the Services and/or Additional Services, or to provide any secretarial, administrative, telephone, e-mail or other services necessary or ancillary to the Services (all of which may be contracted for separately by ALTISOURCE on behalf of NEWSOURCE). ALTISOURCE shall use reasonable commercial efforts to give notice to NEWSOURCE, reasonably in advance of the commencement of such Services and/or Additional Services to be so provided by such contractors, of the identity of such contractors, each Service and/or Additional Service to be provided by such

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contractors and a good faith estimate of the cost (or formula for determining the cost) of the Services and/or Additional Services to be so provided by such contractors.

3. Standard of Performance.

(a) ALTISOURCE shall use commercially reasonable efforts to provide, or cause to be provided, to NEWSOURCE, each Service and/or Additional Service in a manner generally consistent with the manner and level of care with which such Service and/or Additional Service is performed by ALTISOURCE for its own behalf (the "Performance Standard"), unless otherwise specified in this Agreement. Notwithstanding the foregoing, ALTISOURCE shall have no obligation hereunder to provide to NEWSOURCE any improvements, upgrades, updates, substitutions, modifications or enhancements to any of the Services and/or Additional Services unless otherwise specified in Schedule I. NEWSOURCE acknowledges and agrees that ALTISOURCE may be providing services similar to the Services and/or Additional Services provided hereunder and/or services that involve the same resources as those used to provide the Services and/or Additional Services to itself and its own Affiliates' business units as well as other third parties, and, accordingly, ALTISOURCE reserves the right to modify any of the Services and/or Additional Services or the manner in which any of the Services and/or Additional Services are provided in the ordinary course of business; provided, however, that no such modification shall materially diminish the Services and/or Additional Services or have a materially adverse effect on the business of NEWSOURCE.

(b) ALTISOURCE will use commercially reasonable efforts to provide the Services and/or Additional Services within a time frame so as not to materially disrupt the business of NEWSOURCE.

(c) ALTISOURCE shall provide disaster recovery and data backup services related to the Services and/or Additional Services to NEWSOURCE, provided that such disaster recovery and data backup services are generally performed by ALTISOURCE for its own behalf in accordance with the Performance Standard. To the extent that such disaster recovery and data backup services are not performed by ALTISOURCE for its own behalf, ALTISOURCE shall not be obliged to perform such services for NEWSOURCE and shall provide NEWSOURCE with advance written notice of the date upon which such services will be provided.

4. Fees, Invoicing and Payment.

(a) NEWSOURCE agrees to pay ALTISOURCE the Performance Fee as compensation for the Services and the Additional Services, subject to the capital restrictions of the BMA and the approval of the Board of Directors of NEWSOURCE, which approval will not unnecessarily be withheld or delayed.

(b) NEWSOURCE will provide ALTISOURCE with its unaudited monthly financial statements within 15 days of completion by its reinsurance manager. Within 15 days after the delivery of the unaudited financial statements for any month, NEWSOURCE shall pay to ALTISOURCE eighty percent (80%) of the net income reflected on such financial statements as payment toward the Performance Fee (collectively, all such monthly payments for the annual period corresponding with the annual audited financial statements described below, the "Estimated

Performance Fee”), subject to this Section 4(b). NEWSOURCE will provide ALTISOURCE with its audited annual financial statements within 15 days of completion of the annual audit and the approval of same by NEWSOURCE’S Board of Directors. Within 15 days thereafter, NEWSOURCE shall deliver a statement showing the Performance Fee due ALTISOURCE for the corresponding year, including reasonable supporting documentation (the “Annual Performance Fee Statement”). NEWSOURCE shall pay to ALTISOURCE or ALTISOURCE shall pay to NEWSOURCE, as the case may be, the difference between the Estimated Performance Fee and the Performance Fee as reflected on the Annual Performance Fee Statement (the “Performance Fee Settlement Payment”). This payment adjustment provision of this Section 4(b) shall survive the expiration or any earlier termination of this Agreement. The Performance Fee Settlement Payment shall be paid within 30 days after ALTISOURCE’S receipt of the Annual Performance Fee Statement provided that the payment of the Performance Fee Settlement Payment allows NewsSource to maintain sufficient regulatory capital as set by the BMA. All payments due hereunder shall be paid by wire transfer of immediately available funds to an account or accounts specified by the receiving party, or in such other manner as specified by the receiving party in writing, or otherwise reasonably agreed to by the parties; provided, that, in the event of any dispute as to the Performance Fee, NEWSOURCE shall pay the undisputed portion, if any, of the Performance Fee in accordance with the foregoing, and shall pay the remaining amount, if any, promptly upon resolution of such dispute.

(c) ALTISOURCE may cause any third party to which amounts are payable by or for the account of NEWSOURCE in connection with Services and/or Additional Services to issue a separate invoice to NEWSOURCE for such amounts. NEWSOURCE 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 and/or Additional Services for the benefit of NEWSOURCE, on the one hand, with services not for the benefit of NEWSOURCE, on the other hand (each, a “Commingled Invoice”), shall be separated by ALTISOURCE. ALTISOURCE shall prepare a statement indicating that portion of the invoiced amount of such Commingled Invoice that is attributable to Services and/or the Additional Services rendered for the benefit of NEWSOURCE (the “Commingled Invoice Statement”). ALTISOURCE shall deliver such Commingled Invoice Statement and a copy of the Commingled Invoice to NEWSOURCE. NEWSOURCE shall, within 30 days after the date of delivery to NEWSOURCE of such Commingled Invoice Statement, pay or cause to be paid the amount set forth on such Commingled Invoice Statement to the third party, and shall deliver evidence of such payment to ALTISOURCE. ALTISOURCE shall not be required to use its own funds for payments to any third party providing any of the Services and/or Additional Services or to satisfy any payment obligation of NEWSOURCE or any of its Affiliates to any third party provider; provided, however, that in the event ALTISOURCE does use its own funds for any such payments to any third party, NEWSOURCE shall reimburse ALTISOURCE for such payments as invoiced by ALTISOURCE within 30 days following the date of delivery of such invoice from ALTISOURCE.

(d) ALTISOURCE may, in its discretion and without any liability, suspend any performance under this Agreement upon failure of NEWSOURCE to make timely any payments required under this Agreement beyond the applicable cure date specified in Section 5(c)(5).

(e) In the event that NEWSOURCE does not make any payment required under the provisions of this Agreement to ALTISOURCE when due in accordance with the terms hereof,

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ALTISOURCE may, at its option, charge NEWSOURCE 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, NEWSOURCE shall reimburse ALTISOURCE for all costs of collection of overdue amounts, including any reimbursement required under Section 4(c) and any reasonable attorneys’ fees.

(f) NEWSOURCE acknowledges and agrees that it shall be responsible for any interest or other amounts with respect to any portion of any Commingled Invoice that NEWSOURCE is required to pay or ALTISOURCE pays on NEWSOURCE’ behalf pursuant to any Commingled Invoice Statement.

5. Term; Termination.

(a) *Initial Term.* The initial term of this Agreement shall commence on the Effective Date and shall continue in full force and effect subject to Section 5(c) hereof until the date that is twelve (12) years from the Effective Date (the “Initial Term”), or the earlier date upon which this Agreement has been otherwise terminated in accordance with Section 5(c) hereof.

(b) *Renewal Term.* This Agreement will automatically renew for successive terms of eight (8) years (each a “Renewal Term”) unless 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, by notifying the other Party in writing at least nine (9) months before the completion of the Initial Term or Renewal Term, as applicable.

(c) *Termination.* During the Initial Term or any Renewal Term, this Agreement (or, with respect to items (1), (3), (4), (5) and (6) below, the particular SOW only) may be terminated:

(1) by NEWSOURCE, if NEWSOURCE is prohibited by law from receiving such Services and/or Additional Services from ALTISOURCE; by ALTISOURCE if ALTISOURCE is prohibited by law from providing such Services and/or Additional Services to NEWSOURCE;

(2) by NEWSOURCE, 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 and/or Additional Services to be provided hereunder of ALTISOURCE that cannot be or has not been cured by the 90<sup>th</sup> day from NEWSOURCE giving written notice of such breach to ALTISOURCE and to the extent that ALTISOURCE is not working diligently to cure such breach;

(3) by NEWSOURCE, if ALTISOURCE fails to comply with all applicable regulations to which ALTISOURCE is subject directly relating to or affecting the Services and/or Additional Services to be performed hereunder, which failure cannot be or has not been cured by the 90<sup>th</sup> day from NEWSOURCE giving written notice of such failure to ALTISOURCE and to the extent that ALTISOURCE is not working diligently to cure such breach;

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(4) by NEWSOURCE, if ALTISOURCE is cited by a Governmental Authority for materially violating any law governing the performance of a Service and/or Additional Service, which violation cannot be or has not been cured by the 90<sup>th</sup> day from NEWSOURCE's giving written notice of such citation to ALTISOURCE and to the extent that ALTISOURCE is not working diligently to cure such breach;

(5) by ALTISOURCE, if NEWSOURCE fails to make any payment for any portion of Services and/or Additional Services the payment of which is not being disputed in good faith by NEWSOURCE, which payment remains unpaid by the 30<sup>th</sup> day from ALTISOURCE's giving of written notice of such failure to NEWSOURCE; or

(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.

(d) No termination, cancellation or expiration of this Agreement shall prejudice the right of ALTISOURCE to receive 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. For the avoidance of doubt, ALTISOURCE will be entitled to Performance Fees during the run-off of the NEWSOURCE reinsurance portfolio after the termination of this Agreement.

(e) Upon termination of this Agreement, ALTISOURCE will be entitled to remove any files, reports, documents, operating systems, proprietary models it has used to provide the Services to NEWSOURCE.

(f) Notwithstanding any provision herein to the contrary, Sections 4, 6 and 9 through 16 of this Agreement shall survive the termination of this Agreement.

6. Miscellaneous.

(a) *Counterparts; Entire Agreement; Corporate Power.*

(1) This 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.

(2) This Agreement, any SOWs 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,

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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.

(3) Each party hereto represents, as follows:

(i) It 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

(ii) This Agreement has been duly executed and delivered by it and constitutes, a valid and binding agreement enforceable in accordance with the terms hereof.

(b) *Governing Law.* This Agreement shall be governed by and construed and interpreted in accordance with the laws of Bermuda irrespective of the choice of laws principles.

(c) *Notices.* All notices and other communications hereunder shall be in writing and shall be deemed given: (a) upon receipt if delivered personally or if mailed by registered or certified mail, return receipt requested and postage prepaid or (b) at noon on the business day after dispatch if sent by a nationally recognized overnight courier; and (c) if such notice is to ALTISOURCE, when (a) or (b) has occurred and a copy is sent and received by e-mail to: contractmanagement@ALTISOURCE.com. All notices shall be delivered to the following address and e-mail address if to ALTISOURCE (or at such other address a party may specify by like notice):

If to NEWSOURCE, to:

NEWSOURCE REINSURANCE COMPANY LTD.

[ ]

Attn: [ ]

With a cc to: [ ]

If to ALTISOURCE to:

ALTISOURCE SOLUTIONS S.À R.L.

291, Route d'Arlon,

L-1150; Luxembourg

Attention: Board of Managers

With a cc to: contractmanagement@altisource.com

(d) *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

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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.

(e) *Headings.* 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.

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

(g) *Specific Performance.* Notwithstanding the procedures set forth in Section 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 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 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.

(h) *Amendments.* No provisions of this 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.

(i) *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 (including all of the schedules, exhibits and appendices 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. 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.

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(j) *Jurisdiction; Service of Process.* Any action or proceeding arising out of or relating to this Agreement shall be brought in the courts of Bermuda 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 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 may be served on any party to this Agreement anywhere in the world.

7. Intellectual Property. NEWSOURCE grants to ALTISOURCE 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 NEWSOURCE solely to the extent necessary for ALTISOURCE to perform its obligations hereunder.

8. Cooperation; Access.

(a) NEWSOURCE shall permit ALTISOURCE and its employees and representatives access, on business days during hours that constitute regular business hours for NEWSOURCE and upon reasonable prior request, to the premises of NEWSOURCE and such data, books, records and personnel designated by NEWSOURCE as involved in receiving or overseeing the Services and/or Additional Services as ALTISOURCE may reasonably request for the purposes of providing the Services and/or Additional Services. ALTISOURCE shall provide NEWSOURCE, upon reasonable prior written notice, such documentation relating to the provision of the Services and/or Additional Services as NEWSOURCE 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 ALTISOURCE pursuant to this Section will be subject to the confidentiality obligations set forth in Section 9 of this Agreement.

9. Confidentiality.

(a) Subject to Section 9(c) below, each of NEWSOURCE and ALTISOURCE, 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 its own confidential and proprietary Information pursuant to policies in effect as of the Effective Date, all Information concerning the other party that is either in its possession (including Information in its possession prior to the Effective Date) or furnished by the other party or its directors, officers, employees, agents, accountants, counsel and other advisors and representatives at any time pursuant to this Agreement, or otherwise, and shall not use any such Information other than for such purposes as shall be expressly permitted hereunder, 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 of their respective directors, officers, employees, agents, accountants, counsel and other advisors and representatives, (ii) later lawfully acquired

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from other sources by such party, 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.

(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 9(a) above, 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 9(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) *Protective Arrangements.* In the event that either party 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 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.

#### 10. Dispute Resolution.

(a) *Disputes.* Subject to Section 6(g), the procedures for discussion, negotiation and mediation set forth in this Section 10 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.

#### (b) *Escalation; Mediation.*

(i) 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

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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.

(ii) 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.

(iii) In the event that any resolution of any dispute, controversy or claim pursuant to the procedures set forth in Section 10(b) (i) or (ii) 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.

#### (c) *Court Actions.*

(i) In the event that either party, after complying with the provisions set forth in Section 10(b), 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.

(ii) Unless otherwise agreed in writing, the parties will continue to provide service and honor all other commitments under this Agreement during the course of dispute resolution pursuant to the provisions of this Section 10 with respect to all matters not subject to such dispute, controversy or claim.

#### 11. Warranties; Limitation of Liability; Indemnity.

(a) Other than the statements expressly made by ALTISOURCE in this Agreement, ALTISOURCE makes no representation or warranty, express or implied, with respect to the Services and/or Additional Services and, except as provided in Subsection (b) of this Section 11, NEWSOURCE hereby waives, releases and renounces all other representations, warranties, obligations and liabilities of ALTISOURCE, and any other rights, claims and remedies of NEWSOURCE against ALTISOURCE, express or implied, arising by law or otherwise, with respect to any nonconformance, error, omission or defect in any of the Services and/or Additional 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

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dealing or usage of trade and (iii) any obligation, liability, right, claim or remedy in tort, whether or not arising from the negligence of ALTISOURCE.

(b) None of ALTISOURCE 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 ALTISOURCE or such person under or in connection with this Agreement, except that ALTISOURCE shall be liable for direct damages or losses incurred by NEWSOURCE arising out of the gross negligence or willful misconduct of ALTISOURCE 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 and/or Additional Services.

(c) In no event shall the aggregate amount of all such damages or losses for which ALTISOURCE may be liable under this Agreement exceed the aggregate total sum received by ALTISOURCE for the Services and/or Additional 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 (b) of this Section 11, none of ALTISOURCE 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 ALTISOURCE 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 NEWSOURCE or any of NEWSOURCE's Affiliates for any action taken or omitted to be taken by ALTISOURCE 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, NEWSOURCE or any of NEWSOURCE's Affiliates.

(e) 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 and/or Additional 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 (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 ALTISOURCE or NEWSOURCE for any incidental, consequential, indirect, special or punitive damages.

(f) NEWSOURCE shall, subject to law, indemnify and hold ALTISOURCE 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

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or losses that ALTISOURCE 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 and/or Additional Services provided hereunder, except those damages, claims or losses incurred by ALTISOURCE or such other person arising out of the gross negligence, willful misconduct, fraud or dishonesty by ALTISOURCE or such other person.

(g) 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 Services and/or Additional Services 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/or Additional 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 NEWSOURCE to ALTISOURCE in addition to the amounts otherwise payable under this Agreement. In each case where Sales Tax is payable by NEWSOURCE in respect of a Service and/or Additional Service provided by ALTISOURCE, ALTISOURCE shall furnish in a timely manner a valid Sales Taxes receipt or invoice to NEWSOURCE in the form and manner required by applicable law to allow NEWSOURCE to recover such tax to the extent allowable under such law. Additionally, if ALTISOURCE is required to pay 'gross-up' on withholding taxes with respect to provision of the Services and/or Additional Services, such taxes shall be billed separately as provided above and shall be owing and payable by NEWSOURCE. Any applicable property taxes resulting from provision of the Services and/or Additional 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 subsidiary or affiliate or third party that acquires, by any means, including by merger or consolidation, all or substantially all the stock or 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.

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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(C), 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.

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

**NEWSOURCE REINSURANCE COMPANY LTD.**

By \_\_\_\_\_

Name:

Title:

**ALTISOURCE SOLUTIONS S.À R.L.**

By \_\_\_\_\_

Name:

Title:

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**SCHEDULE I**

**Altisource Services Provided to NewSource**

*Marketing and Business Development Services*

- Identifying, analyzing, auditing and recommending one or more potential U.S. title insurance companies (“USTIC”) for acquisition by, or for reinsurance agreements with, NewSource.
- Marketing NewSource’s title reinsurance capacity to its USTIC or to other qualified title insurance companies and to potential direct customers in the U.S. (Ocwen and members of Lenders One) to generate high quality title insurance and/or reinsurance proposals.
- Marketing, implementing, managing and monitoring all settlement services activities related to the title insurance company’s title insurance business

*Strategic Operational Oversight Services*

- Reviewing, analyzing and pricing all reinsurance submissions from NewSource’s USTIC or other title insurance companies and presenting recommendations to the NewSource’s Board of Directors to accept or decline the proposed reinsurance agreements.
- Managing communications with clients and customers regarding NewSource’s underwriting decisions
- Providing a robust Capital Adequacy Model to continually monitor NewSource’s solvency margins and specifically to run such model before recommending each and every new business opportunity
- Continually reviewing the operations of the USTIC subsidiary to ensure it is in compliance with standards approved by the NewSource Board of Directors

*Risk Management Services*

- Providing advice for monitoring, analyzing and, if eligible, recommending payment of any and all claims submissions from ceding companies. The NewSource Board of Directors will specifically approve all claims payments in excess of \$25,000 (usd) at regularly scheduled risk management meetings;
- Reviewing the reinsurance portfolio quarterly for performance against initial expectations with regards to premiums and losses and any other such metric as NewSource shall require from time to time to meet
- Initiating and undertaking periodic field reviews of the underwriting policies and procedures of each ceding company to ensure it is in compliance under its reinsurance obligations;
- Statistically reviewing title search and examination files for quality control purposes;
- Monitoring and reviewing the USTIC or ceding companies to ensure compliance with NewSource policies and procedures set by the Board of NewSource; and

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- Reviewing, auditing and analyzing the USTIC portfolio for performance against its business plan and compliance with Policies and Procedures set by the Board of Directors of the USTIC and the Board of NewSource.

*Regulatory Compliance Services*

- Assembling and filing, on a timely and accurate basis, all regulatory reports required to be filed with each and every regulatory body  
Initiating and providing all documentation for NewSource’s annual audit, annual loss reserve certification and annual actuarial report

- Performing a quarterly report for the NewSource Board of Directors regarding the NewSource's financial condition and its compliance with all regulatory requirements
- Reviewing the operations of NewSource's USTIC subsidiary and coordinating the consolidation of its activities into NewSource's annual financial reporting and capital adequacy review

*Other Services as Directed by the NewSource Board of Directors*

- Advising on the specific licensing requirements and ongoing forms and filing requirements of each state in which the USTIC will operate
- Assisting with research of forms and filings and related operating requirements to enable NewSource's USTIC to obtain a broad set of state licenses
- Perform all other such services as directed by Marsh including any and all services as reasonable and necessary to effectively manage the operations of the Company in compliance with all regulatory requirements and any and all requirements set forth by the Company's Board of Directors on behalf of its shareholders.

*Additional Services Provided in Respect of Underlying Title Insurance Transactions*

*Title Search and Examination*

- Altisource will arrange for all necessary title searches including the examination and delivery of a commitment ready title report to be delivered to NewSource's USTIC or designated third party ceding companies. Such services will be performed at or below market rates and will be billed to NewSource separately and at time of closing of each underlying title insurance policy and will not be included in the Performance Fee. See Appendix A for a description of fees

*Title Escrow and Settlement Services*

- Altisource will arrange and administer all necessary services to conduct and complete the closing of each property purchase or mortgage refinance that is

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subject to title insurance by USTIC or a designated third party ceding company and reinsured to NewSource. Altisource will perform these services at or below market rates including rates set by regulatory bodies or as filed with regulatory bodies. See Appendix B for a description of fees.

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MANAGEMENT AGREEMENT

This agreement is made as of the [ ] day of [ ], 2012 (the “Effective Date”) between MARSH IAS MANAGEMENT SERVICES (BERMUDA) LTD., a Bermuda company (“MARSH IAS”), and NEWSOURCE REINSURANCE COMPANY LTD., a Bermuda company (“NEWSOURCE”).

NEWSOURCE is duly licensed to carry on business as an insurance company under the laws of Bermuda.

1. **MARSH IAS’S SERVICES.** MARSH IAS will render the following services to NEWSOURCE, subject to the limitations and exceptions set forth herein:

- (a) **Underwriting of (Re)insurance by NEWSOURCE.** Upon the prior written instructions of NEWSOURCE, MARSH IAS shall use its best efforts to cause NEWSOURCE to underwrite specific insurance risks within a given class of insurance business; provided, however, that MARSH IAS shall act within any restrictions set forth in writing to MARSH IAS by NEWSOURCE and/or The Bermuda Monetary Authority — Insurance Division in Bermuda (the “Bermuda Monetary Authority”).
- (b) **Policyholder Service.** Subject to the risks being accepted by NEWSOURCE or the underwriters retained by NEWSOURCE, MARSH IAS shall issue and endorse policies, and, if so instructed in writing by NEWSOURCE, terminate or cancel policies and issue notices of cancellation. MARSH IAS shall bill, receive and render receipts for premiums due to NEWSOURCE in accordance with the terms and conditions of each policy of insurance issued and in accordance with the written instructions of NEWSOURCE. MARSH IAS shall have full authority hereunder to take whatever action, at NEWSOURCE’s cost and expense, it deems necessary or appropriate to attempt to collect premiums, including, if so instructed by NEWSOURCE, the cancellation of policies. MARSH IAS shall have no liability for uncollected premiums.
- (c) **Claims.** MARSH IAS shall, in accordance with written instructions from NEWSOURCE, accept or reject claims, settle claims and arrange for the adjustment of losses and defense of actions, as necessary or appropriate, arising out of contracts of insurance and reinsurance.
- (d) **Ceding Reinsurance.** If NEWSOURCE desires to cede reinsurance, MARSH IAS shall refer NEWSOURCE to entities capable of making such a placement, which entities may be MARSH IAS affiliates. Any brokerage normal to such transactions shall be retained by any insurance broker, including any affiliate of MARSH IAS, appointed by NEWSOURCE to place such reinsurance.
- (e) **Assuming Reinsurance.** If NEWSOURCE desires to underwrite reinsurance, MARSH IAS shall refer NEWSOURCE to entities capable of arranging the assumption of reinsurance by NEWSOURCE, which entities may be MARSH IAS affiliates. NEWSOURCE acknowledges that the Bermuda Monetary Authority may restrict or impose conditions on NEWSOURCE’s assumption of reinsurance.
- (f) **Advice on Insurance Programs.** Upon the request of NEWSOURCE and to the

extent authorized by applicable law, MARSH IAS shall assist NEWSOURCE in the analysis of insurance and reinsurance programs which NEWSOURCE is contemplating, or has issued insurance or reinsurance policies. MARSH IAS is not licensed to practice law and its advice should not be construed as legal advice.

(g) **Principal Representative.** NEWSOURCE appoints MARSH IAS, and MARSH IAS agrees to act as, Principal Representative of NEWSOURCE for the purposes of the Insurance Act (Bermuda), 1978 and the amendments and Regulations made thereunder (the “Insurance Act”).

(h) **Other Services.** MARSH IAS shall perform such other services as may from time to time be agreed upon between MARSH IAS and NEWSOURCE.

(i) **Technical title insurance underwriting services.** Pursuant to an agreement between ATLTISOURCE SOLUTIONS S.À R.L. a private limited liability company organized under the laws of the Grand Duchy of Luxembourg together with its subsidiaries and affiliates (“ALTISOURCE”) and NEWSOURCE (the “TSA”). Under the TSA, ALTISOURCE will provide MARSH IAS with a bundled service platform providing MARSH IAS with the technical title insurance underwriting services and specific resources to enable MARSH IAS to manage NEWSOURCE’s day-to-day title reinsurance operations. MARSH IAS will supervise and report to NEWSOURCE’s board of directors regarding ALTISOURCE’s performance with respect to the TSA. MARSH IAS will refer all technical title insurance underwriting matters to ALTISOURCE and agrees to comply with ALTISOURCE guidance on all technical title insurance underwriting matters. Marsh IAS agrees to satisfy all information requests from ALTISOURCE in a timely manner. A copy of this service agreement shall be attached hereto as Schedule 3.

2. **OFFICE RECORDS; REPORTS; EXAMINATIONS; INVESTMENTS AND ACCOUNTS.**

(a) **Office, Books and Records.** MARSH IAS shall keep, in a manner and form approved by or acceptable to NEWSOURCE, true and complete books of account and records of all business conducted under and pursuant to this Agreement and shall, at all reasonable times, make available for examination and inspection to a duly authorized representative of NEWSOURCE or the Bermuda Monetary Authority (the “BMA”), all such books and records. Whenever practicable, such books and records will be kept in an electronic format. Such books and records shall remain the property of NEWSOURCE and shall be delivered promptly to NEWSOURCE or its designee following any termination hereof, but MARSH IAS shall have the right at any time within six years after any termination hereof to inspect such books and records and to make copies thereof or extracts therefrom.

(b) **Reports to NEWSOURCE.** NEWSOURCE’s fiscal year shall begin on January 1 and shall end on December 31 of each year. Based on information made available to MARSH IAS, MARSH IAS shall prepare NEWSOURCE’s financial statements on a monthly basis and, if requested by NEWSOURCE, MARSH IAS shall periodically prepare such other reports as shall be agreed to by MARSH IAS and NEWSOURCE.

(c) **Reports and Examinations.** MARSH IAS shall prepare and file for NEWSOURCE all Bermudian governmental reports and all other applications and reports as shall be required

by the Insurance Act. NEWSOURCE shall be responsible for any associated fees or taxes. NEWSOURCE shall furnish to MARSH IAS any information in its possession necessary for such reports.

MARSH IAS shall notify NEWSOURCE when it learns of any proposed or actual examination or investigation by the BMA or other authorized parties of the business and affairs of NEWSOURCE and MARSH IAS shall reasonably cooperate with any such examination or investigation.

**(d) Bank Accounts.** MARSH IAS shall open, maintain and operate bank accounts in the name of NEWSOURCE, and shall make deposits therein and disbursements therefrom in accordance with such limitations and restrictions as may be set forth in written instructions from, or in resolutions passed by the board of directors of, NEWSOURCE (collectively, "Cash Guidelines"). MARSH IAS shall invest the funds of NEWSOURCE, or liquidate or change such investments only in accordance with such Cash Guidelines. NEWSOURCE may change such Cash Guidelines from time to time, but MARSH IAS shall not be required to recognize such change until MARSH IAS has received written notice thereof. In the event and so long as NEWSOURCE has not provided MARSH IAS with Cash Guidelines, MARSH IAS shall invest the funds of NEWSOURCE solely in overnight deposits in [Bank]. MARSH IAS shall have no liability whatsoever for the soundness of any investments made hereunder, the amount of return from such investments, or the solvency of the institution in which they may be deposited or invested.

**(e) Information Provided to MARSH IAS.** NEWSOURCE shall keep MARSH IAS informed during the term hereof of all material developments relating to the business of NEWSOURCE and shall promptly furnish to MARSH IAS executed sets of all minutes of the meetings of and the resolutions adopted by the shareholders and the board of directors of NEWSOURCE. NEWSOURCE shall allow a MARSH IAS employee to attend all NEWSOURCE board of directors meetings.

**(f) Authority of MARSH IAS.** MARSH IAS shall have all the power and authority necessary or desirable to carry out its duties and obligations hereunder, which shall include the right to engage, as an independent contractor, any person, corporation or other organization to perform any functions to be performed hereunder by MARSH IAS. The authority granted hereunder shall specifically include the right to engage other MARSH IAS affiliates.

**(g) Confidentiality.** MARSH IAS acknowledges that all non-public information disclosed by NEWSOURCE or which comes to its attention during the course of performing services hereunder ("Confidential Information") constitutes a valuable asset, is proprietary to NEWSOURCE, and that MARSH IAS has a duty to keep such information strictly confidential. MARSH IAS will not disclose such information, or permit its employees, officers or agents to disclose such information to any person outside MARSH IAS, without NEWSOURCE's prior written consent. MARSH IAS shall take all steps reasonably required to maintain the confidentiality of Confidential Information in its possession. The transmission of Confidential Information via electronic data transmission networks which provide for the security of users' data shall be deemed consistent with MARSH IAS' obligations hereunder unless such use is contrary to NEWSOURCE's express instructions.

The restrictions and agreements set forth herein shall not apply to any Confidential Information

(i) which at the time disclosed to or obtained by MARSH IAS is in the public domain; (ii) which becomes part of the public domain through no act, omission or fault of MARSH IAS; (iii) which MARSH IAS' records demonstrate was developed independently by MARSH IAS or was received by MARSH IAS from a third party which MARSH IAS had not reason to believe had any confidentiality or fiduciary obligation to NEWSOURCE with respect to such information. This provision, however, shall in no way limit MARSH IAS's responsibility to disclose information as required by law. The obligations of this section shall survive the termination of this Agreement by ten years.

### **3. RELATIONSHIP BETWEEN PARTIES; LIMITATION OF RESPONSIBILITY.**

**(a) Independent Contractors.** This Agreement establishes a relationship of independent contractors between the parties. As such, subject to the terms hereof, each shall conduct its business at its own initiative, responsibility and expense, and shall have no authority to incur any obligation on behalf of the other party. No third party shall have or be deemed to acquire any rights hereunder. Neither party shall use the name of the other party or any affiliate of such other party in any public document, advertising, public relations release or any other publicity without the prior written consent of such other party.

**(b) Compliance with Laws.** MARSH IAS shall use its best efforts to advise NEWSOURCE regarding compliance with the Insurance Act and related amendments, regulations, guidance notes and the Insurer's Code of Conduct. MARSH IAS shall not be responsible for advice on compliance with the laws in any other jurisdiction in which NEWSOURCE does business. MARSH IAS is not licensed to practice law and its advice should not be construed as legal advice.

**(c) Scope of Services.** The obligations of MARSH IAS hereunder are limited to the good faith performance of the services to NEWSOURCE set forth herein. MARSH IAS is entitled to rely on information or instructions (oral or written) provided by NEWSOURCE and MARSH IAS shall have no responsibility for the accuracy, authenticity or completeness of such information or instructions. MARSH IAS shall not have any other or further obligations or responsibilities to NEWSOURCE, including, but not limited to, any obligation or responsibility for the payment of any insurance or reinsurance premiums, the profitability of the business of NEWSOURCE, the solvency of any person (including NEWSOURCE) or the failure of third parties (including insurers and reinsurers) to fulfill their obligations.

**(d) Limit of Liability.** In no event shall either party to this Agreement be liable for any indirect, special, incidental, consequential or punitive damages or for any lost profits arising out of or relating to any services provided by MARSH IAS or its affiliates. The aggregate liability of MARSH IAS, its affiliates and its and their employees to NEWSOURCE or its affiliates arising out of or relating to the provision of services by MARSH IAS or its affiliates shall not exceed three times the fee paid to MARSH IAS hereunder for the contract year in which the services giving rise to such liability were provided by MARSH IAS or its affiliates. This provision applies to the fullest extent permitted by applicable law.

**(e) Indemnification.** NEWSOURCE shall indemnify and hold harmless MARSH IAS, its officers, directors, employees (including those employees acting in the capacity of a director or officer of NEWSOURCE), agents and affiliates from and against any losses, claims, damages, liabilities, cost or expenses, including reasonable attorneys' fees and expenses of investigation

(collectively, "Losses"), to which MARSH IAS may become subject in connection with the services it provides hereunder except to the extent that a court having jurisdiction shall have determined by a final judgment that such Losses resulted from MARSH IAS's willful misconduct or fraud. NEWSOURCE shall cause its parent corporation to guarantee NEWSOURCE's obligation to indemnify and hold harmless MARSH IAS. The provisions of this section shall survive the expiration or termination of this Agreement, including any extensions thereof.

**(f) Coverage for Directors and Officers.** If an employee of MARSH IAS acts as a director or officer of NEWSOURCE, such person shall be insured under NEWSOURCE's directors and officers liability policy, or under the directors and officers liability policy of the parent corporation of NEWSOURCE, and certification or other evidence of such coverage shall be attached hereto as Schedule 2 and made a part hereof. NEWSOURCE shall notify MARSH IAS if such coverage is terminated or if changes are made to such coverage affecting MARSH IAS. The provisions of this section shall survive the expiration or termination of this Agreement, including any extensions thereof. Any employee of MARSH IAS acting as a director of NEWSOURCE shall be considered a non-executive director in any event and the board minutes of NEWSOURCE must reflect same.

#### **4. COMPENSATION AND EXPENSES.**

Fees and expenses for MARSH IAS's services hereunder shall be determined and paid in accordance with Schedule 1, which is attached hereto and made a part hereof. MARSH IAS agrees to disclose to NEWSOURCE any other compensation to be earned by MARSH IAS in connection with the services to be provided to NEWSOURCE hereunder, and to obtain NEWSOURCE's written consent prior to accepting such other compensation.

#### **5. EFFECTIVE DATE AND TERMINATION.**

**(a) Effective Date and Normal Termination.** This Agreement shall become effective on the Effective Date and shall continue from year to year until terminated by the agreement of the parties; provided, however, that either party may terminate this Agreement at any time by giving not less than ninety (90) days' written notice to the other party of its intention to do so. Upon the expiration or termination hereof, MARSH IAS shall have no further duties or obligations hereunder unless specifically set forth herein or otherwise agreed to by the parties.

**(b) Termination for Breach or Bankruptcy.** This Agreement may also be terminated forthwith by written notice of termination to the other party upon the occurrence of either of the following:

- (i) If such other party fails to perform or observe, or commits a breach of, any provision hereof, and fails to cure, remedy or satisfactorily explain such failure or breach within thirty (30) days following delivery to such other party of a written notice of the alleged failure or breach, or
- (ii) If such other party become insolvent (in the legal sense) or files a voluntary petition in bankruptcy, or makes an assignment for the benefit of creditors; or if a committee of creditors or other representative is appointed to represent its business or an involuntary petition in bankruptcy is filed against it, and the party fails within thirty

(30) days following the appointment of such committee or representative or the filing of such involuntary petition to cause the discharge of such committee or representative or the dismissal of such petition; or if the other party commits any other act indicating insolvency.

#### **6. MISCELLANEOUS.**

**(a) Non-Exclusivity.** This Agreement shall not in any way prevent MARSH IAS from performing similar services for third parties.

**(b) Foreign Exchange.** MARSH IAS shall convert all expenses and costs paid by MARSH IAS on behalf of NEWSOURCE in any currency other than United States dollars to United States dollars at the conversion rate in effect on the date that MARSH IAS paid the expenses or costs, so that all exchange gain or loss incident thereto shall be incurred by or inure to the benefit of NEWSOURCE.

**(c) Assignments.** Neither this Agreement nor any right, benefit or obligation conferred or imposed hereunder is assignable in whole or in part, whether by operation of law or otherwise, by either party hereto without the prior written consent of the other party; provided, however, that either party may make such an assignment to a corporation which controls, is controlled by, or is under common control with the assignor.

**(d) Successors and Assigns.** This Agreement shall be binding upon the successors, legal representatives or permitted assigns of the parties hereto.

**(e) MARSH IAS Personnel.** NEWSOURCE agrees that neither it nor any NEWSOURCE affiliate will during the term of this Agreement, or for twelve months after termination, hire or solicit to hire any MARSH IAS employees who have provided captive management services within the scope of this Agreement, for the purposes of providing captive management services to NEWSOURCE or any NEWSOURCE affiliate, without the express written consent of MARSH IAS, provided, however, that in no event shall this Agreement restrict any general solicitation of employment by NEWSOURCE. In the event NEWSOURCE or NEWSOURCE affiliate hires any MARSH IAS employee as a result of a violation of this paragraph (e) during the term of this Agreement or within the twelve months following the termination of this Agreement, NEWSOURCE agrees to pay to MARSH IAS an amount equal to one hundred percent (100%) of the MARSH IAS employee's gross annual salary during the most recent twelve months of the MARSH IAS employee's employment with MARSH IAS. NEWSOURCE and MARSH IAS agree that the amount payable to MARSH IAS for hiring of its employees is a reasonable forecast of the probable harm that will be caused MARSH IAS by such an event and that the amount is not a penalty.

**(f) Entire Agreement.** All prior negotiations and agreement between the parties hereto relating to the subject matter hereof are superseded by this Agreement, and there are no representations, warranties, understandings or agreements other than those expressly set forth herein, except as subsequently modified by an instrument signed by the parties hereto.

(g) **Waivers.** The failure of either party at any time to require the other party's performance of any obligation hereunder shall not affect the right to require performance of that obligation in the future. Any waiver by either party of any breach of any provision hereof

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shall not be construed as a waiver of any continuing or succeeding breach of such provision, a waiver or modification of the provision itself, or a waiver or modification of any other right hereunder.

(h) **Notices.** Any notice or other communication required or permitted hereunder shall be deemed given upon delivery if delivered personally, or three days after mailing if mailed by an international overnight courier if such courier provides evidence of receipt, or the next business day if sent by facsimile and confirmed by mail, as follows:

To MARSH IAS: MARSH IAS Management Services (Bermuda) Ltd.  
P.O. Box HM 1826  
Hamilton HM HX, Bermuda  
Attention: Legal Counsel

To NEWSOURCE: NEWSOURCE REINSURANCE COMPANY, LTD.  
[Address]

or to such other addresses as such parties shall have last designated by notice to the other parties.

(i) **Captions.** The captions of the several sections of this Agreement are inserted solely for convenience of reference, and are neither a part of nor intended to govern, limit or aid in the construction of any term or provision hereof.

(j) **Governing Law.** The validity, construction and enforceability of this Agreement shall be governed in all respects by the laws of Bermuda.

(k) **Dispute Resolution.** Any dispute or claim arising out of or relating to this Agreement, including its formation and validity, shall be referred to binding arbitration in accordance with the Bermuda Arbitration Act 1986 and amendments thereto (the "Bermuda Arbitration Act"). Arbitration shall be initiated by the delivery, by mail, facsimile, or other reliable means, of a written demand for arbitration by one party to the other party. The arbitration shall be held in Hamilton, Bermuda or such other place as the parties may mutually agree. The arbitration shall be conducted by a panel of three arbitrators, with each party selecting one arbitrator and the two arbitrators selecting the third arbitrator. If the two arbitrators are unable to agree upon the third arbitrator, the third arbitrator shall be selected in accordance with the Bermuda Arbitration Act. None of the arbitrators shall be under the control of any of the parties, and none shall have any financial interest in the outcome of the arbitration. Each of the arbitrators shall be an active or retired officer of an insurance or reinsurance company with at least fifteen years insurance industry or reinsurance experience and a member of a recognized body of arbitration professionals. The arbitrator shall render the award in writing. Judgment upon the award may be entered in any court having jurisdiction. Each party shall pay an equal share of the fees and expenses of the arbitrator and of the other expenses of the arbitration.

(l) **Submission to Jurisdiction.** Each of the parties expressly and irrevocably submits to the exclusive jurisdiction of the courts of Bermuda for immediate injunctive relief or enforcement of an arbitration award that would not be available in arbitration. Each of the parties agrees to commence any action, suit or proceeding relating to this Agreement in the courts of Bermuda that are unable to be brought by way of the arbitration process. Each of the

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parties irrevocably and unconditionally waives any objection to the laying of venue of any action, suit or proceeding arising out of this Agreement or the transactions contemplated herein in the courts of Bermuda and further irrevocably and unconditionally waives and agrees not to plead or claim in any such court that any such action, suit or proceeding brought in any such court has been brought in an inconvenient forum. Each of the parties further expressly and irrevocably waives any claim or defense in any such action, suit or proceeding in either such court based upon any lack of personal jurisdiction, improper venue or forum non conveniens or any similar basis unless any such action, suit or proceeding should have been brought pursuant to the agreed arbitration process.

(m) **Severability.** It is the intent of the parties that the provisions of this Agreement shall be enforced to the fullest extent permitted by applicable law. To the extent that the terms set forth in this Agreement or any word, phrase, clause or sentence is found to be illegal or unenforceable for any reason, such word, phrase, clause or sentence shall be modified or deleted in such manner so as to afford the party for whose benefit it was intended the fullest benefit commensurate with making this Agreement, as modified, enforceable, and the balance of this Agreement shall not be affected thereby, the balance being construed as severable and independent.

(n) **Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

(o) **Survival.** The representations, warranties and agreements contained or referred to herein, shall survive the termination hereof, provided that no claims may be initiated by or on behalf of any party against any other party on the basis of such representations, warranties and agreements after three years from the termination hereof, unless based upon a breach or failure to comply with an agreement which is to be performed or complied with in whole or in part after three years from the termination hereof.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.

[SIGNATURES ON THE FOLLOWING PAGE]

By: \_\_\_\_\_

Title: \_\_\_\_\_

NEWSOURCE REINSURANCE COMPANY, LTD.

By: \_\_\_\_\_

Title: \_\_\_\_\_

**SCHEDULE 1**  
**COMPENSATION PROVISION**  
**Time and Expense**

**(a) Fees.** In consideration for the services to be performed hereunder by MARSH IAS, NEWSOURCE shall pay to MARSH IAS an amount equal to (i) a fixed two hundred and fifty thousand dollars (\$250,000) per year payable in equal quarterly installments of sixty-two thousand five hundred dollars (\$62,500) during the contract year (the "Fixed Fee"), plus (ii) a 1% share of title reinsurance premiums written (the "Performance Fee")(1). For the purposes hereof a contract year shall mean a twelve (1) month periods commencing on each anniversary of the Effective Date.

**(b) Adjusting the Fixed Fee.** Should either party wish to adjust the Fixed Fee for the subsequent contract year, then not later than 60 days prior to the expiration of the then current contract year the parties shall negotiate in good faith to establish said Fee for the subsequent contract year. In the absence of an agreement to adjust the Fixed Fee, the Fixed Fee for the subsequent contract year shall be increased by the percentage by which the Bermuda consumer price index has increased during the current contract year.

**(c) Expenses.** All salaries and fringe benefits of MARSH IAS personnel rendering services hereunder shall be at the expense of MARSH IAS without reimbursement by NEWSOURCE. MARSH IAS shall charge NEWSOURCE an additional amount equal to 5.5% of the Fixed fee payable in accordance with paragraph (a) above to cover printing costs (e.g. policies and endorsement forms); office supplies (e.g. stationery, office forms and invoices); photocopy and other reproduction charges; telephone and fax charges; record archive charges; and all other out of pocket expenses, overhead costs, expenses and charges incurred in, or incidental to, its business. NEWSOURCE shall be responsible for all other costs such as filing and examination fees; lawyers' and accountants' fees, fees for any other services contracted for or on behalf of NEWSOURCE excluding those under the provisions of Section 2(f) hereof; premium and other taxes; and all costs, charges and expenses relative to the processing, handling and adjustment of claims and losses under coverages authorized and/or written by NEWSOURCE. If any such expenses are advanced and paid by MARSH IAS on behalf of NEWSOURCE, NEWSOURCE shall reimburse MARSH IAS therefor upon receipt of the statement noted below.

**(d) Billing and Payments.** MARSH IAS shall invoice to NEWSOURCE, within thirty (30) days after the end of each month, any fees and expenses which are due and payable in respect of the immediately preceding month. Payment of the amount set forth in the invoice shall be due ten (10) days subsequent to the date of the invoice.

(1) NewSource's audited Bermuda statutory financial statements will be the basis for determining the Performance Fee. It is expected that the Performance Fee will be paid as soon as practicable after the year-end audit has been completed.

**SCHEDULE 2**  
**DIRECTORS' and OFFICERS' COVERAGE**  
**Copy of Certificate**

**SCHEDULE 3**

**Title Services Agreement, entered into as of [ ], 2011, by and between NewSource Reinsurance Company, Ltd. and ATLTISOURCE SOLUTIONS S.À R.L.**

**TECHNOLOGY PRODUCTS SERVICES AGREEMENT**, dated as of [ ], 2012, 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 parent and subsidiaries, "Altisource"), and ALTISOURCE ASSET MANAGEMENT CORPORATION, a corporation organized under the laws of the U.S. Virgin Islands (together with any subsidiaries, "AAMC") (each, a "Party," and collectively, the "Parties" or "parties").

#### RECITALS

WHEREAS, Altisource and AAMC are parties to a Separation Agreement dated as of [ ], 2012 (the "Separation Agreement"), pursuant to which Altisource will (i) separate the AAMC Business (as defined in the Separation Agreement) and (ii) distribute (the "Separation") to the holders of shares of Altisource's outstanding capital stock all of the outstanding capital stock of AAMC;

WHEREAS, following the Separation, AAMC will operate the AAMC Business, and Altisource will operate the Altisource Business (as defined in the Separation Agreement); and

WHEREAS, following the Separation, AAMC desires to receive, and Altisource is willing to provide, or cause to be provided, certain technology products services in connection with the AAMC 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:

"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.

"Business Day" means any day on which commercial banks are not authorized or required by law to close in New York, New York.

"Customer Party" means a party in its capacity of receiving a Service hereunder, including AAMC.

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"Fixed Price Project" means any Service designated as such on Schedule I or in a SOW.

"Fully Allocated Cost" means, with respect to provision of the Services, the all-in cost of the Providing Party's provision of such Services, including a share of direct charges of the function providing such Services, 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 Services, but shall not include any Taxes payable as a result of performance of such Service.

"Providing Party" means a party in its capacity of providing a Service hereunder, including Altisource.

"Services" means the services set forth on Schedule I 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, but has been agreed to be provided pursuant to the terms of this Agreement except as otherwise set forth in such SOW.

"Term" means, collectively, the Initial Term and any Renewal Term hereof.

#### 2. Provision of Services.

(a) *Generally.* Subject to the terms and conditions of this Agreement, Altisource shall provide, or cause to be provided, to AAMC, the services set forth on Schedule I, 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

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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 Altisource and AAMC, unless otherwise agreed or as provided on Schedule I, or an applicable SOW. No Customer Party 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 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; and (ii) none of the Providing Party 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, each Service with such quality standards, service level requirements, specifications and acceptance criteria identified in 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 business units and other third parties.

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 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 (ii) Services not provided due to a Force Majeure Event (as defined below).

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(c) 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.

(d) 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(c). 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(c).

(e) 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.

(f) 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. The initial term of this Agreement shall commence on the Distribution Date and shall continue in full force and effect subject to Section 5(c) hereof until the date that is fifteen (15) years from the Distribution Date (the "Initial Term"), or the earlier date upon which this Agreement has been otherwise terminated in accordance with Section 5(c) hereof.

(b) Renewal Term. This Agreement will automatically renew for successive terms of one (1) year (each, a "Renewal Term") unless either Party decides that it does not wish to renew this Agreement or any particular Service or Additional Services set forth on a SOW hereunder before the expiration of the Initial Term or any Renewal Term, as applicable, by

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notifying the other Party in writing at least six (6) months before the completion of the Initial Term or 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 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;

(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, 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 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 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 (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, including intellectual property developed hereunder pursuant to Section 10 below, by the Customer Party; 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 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 discontinues 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 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 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, 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.

(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 Party'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 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 and the schedule attached 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.

(c) Altisource represents and AAMC represents 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 Altisource, to:

Altisource Solutions S.à r.l.  
291, Route d'Arlon  
L-1150 Luxembourg  
Attn: Corporate Secretary  
Fax No.: 352-2744-9499

If to AAMC to:

Altisource Asset Management Corporation  
402 Strand St.  
Frederiksted, VI 00840  
Attn: Corporate Secretary  
Fax No.: 770-644-7420

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 affect 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 draftsperson 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

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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 shall retain all rights to all technology and intellectual property owned or licensed by the Providing Party prior to the provision of Services hereunder or developed by the Providing Party during the course of and in association with the provision of Services under this Agreement by the Providing Party, including all derivative works. The Customer Party shall retain all rights to all intellectual property owned or licensed by the Customer Party prior to the provision of Services hereunder or developed by the Customer Party during the course of and in association with the provision of Services by the Providing Party under this Agreement including all derivative works.

11. Cooperation; Access.

(a) The Customer Party shall 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 such data, books, records and personnel designated by the Customer Party 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 Altisource shall be William B. Shepro and the initial Relationship Executive designated by AAMC shall be Ashish Pandey. 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 Altisource and AAMC, 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 Altisource pursuant to policies in effect as of the Distribution Date, all Information concerning the other party that is either in its possession

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(including Information in its possession prior to the Distribution Date) or furnished by the other party 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 their respective directors, officers, employees, agents, accountants, counsel and other advisors and representatives, (ii) later lawfully acquired from other sources by such party, 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.

(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 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 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

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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 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 arising out of the gross negligence or willful misconduct of the Providing Party or any of its 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 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 respective officers, directors, employees, agents, attorneys-in-fact, contractors or other representatives shall be liable for damages or losses incurred by the Customer Party 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.

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(e) Without limiting Section 14(b) hereof, no Party hereto or any of its 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 the Providing Party or the Customer Party for any incidental, consequential, indirect, special or punitive damages.

(f) The Customer Party shall indemnify and hold the Providing Party and any of its 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; and

(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

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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 was to solicit the employment of or hire any employee of the Providing Party performing Services or who has performed Services hereunder. Accordingly, the Customer Party agrees that it shall not 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, any Person who is or was employed by the Providing Party with respect to the provision of

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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.

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**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.

**ALTISOURCE SOLUTIONS S.À R.L.**

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

**ALTISOURCE ASSET MANAGEMENT CORPORATION**

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

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**SCHEDULE I**

**SERVICES**

<u>Service</u>	<u>Service Period (years)</u>
<u>SERVICE</u> Telephone Systems Technology Systems Desktop Support Services	15
<u>SERVICE</u>	

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[ ], 2012

Dear Shareholders of Altisource Portfolio Solutions S.A.:

In April 2012, Altisource Portfolio Solutions S.A., which we refer to as Altisource, announced a plan to separate two closely-related development stage companies. Upon the separation, both companies will become separate public companies. The enclosed information statement specifically addresses one of the two new companies that will, following the separation from Altisource, conduct its operations as Altisource Asset Management Corporation (“AAMC”).

AAMC will provide asset management and corporate governance services from its headquarters in Frederiksted, St. Croix, in the United States Virgin Islands to Altisource Residential Corporation, a Maryland corporation recently formed to acquire and own single-family rental assets. AAMC will also invest in and provide similar services to NewSource Title Reinsurance Company Ltd., a title insurance and reinsurance company domiciled in Bermuda that will be formed following the separation.

The separation of AAMC is expected to occur in the fourth quarter of 2012, subject to certain customary closing conditions, by way of a taxable pro rata stock distribution of AAMC common stock to Altisource shareholders. Each Altisource shareholder will receive 1 share of AAMC common stock for every 10 shares of Altisource common stock.

As an Altisource shareholder, you will automatically receive AAMC common stock unless you sell your Altisource shares before the separation date in the “regular way” market as described in the enclosed information statement. If the number of shares of Altisource common stock that you own is not a multiple of 10, you will receive a cash payment in lieu of any fractional share that you otherwise are entitled to receive. The number of shares of Altisource common stock that you currently own will not change as a result of the separation. You do not need to take any action or pay any consideration to receive the shares of AAMC common stock in the separation.

AAMC intends to apply to have its common stock listed on the [ ] under the symbol “[ ].” The common stock of Altisource will continue to trade on the NASDAQ Global Select Market under the symbol “ASPS.”

The enclosed information statement, which is being mailed to all Altisource shareholders, describes the separation in detail and contains important information about AAMC. We encourage you to carefully read this information statement.

We believe the separation will enable Altisource and AAMC management to maximize the strengths of their respective core businesses. We are proud of what we have built at Altisource and want to ensure you that we will continue to capitalize on innovative ideas and business opportunities. This is an exciting time for Altisource and AAMC, and we believe this separation is in the best interest of Altisource shareholders. We remain committed to working on behalf of you, our shareholders, to build long-term value.

Sincerely,

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William B. Shepro  
*Chief Executive Officer and Director*  
 Altisource Portfolio Solutions S.A.

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[ ], 2012

Dear Prospective Shareholders of Altisource Asset Management Corporation:

We look forward to welcoming you as a shareholder of Altisource Asset Management Corporation (“AAMC”). We believe that our independence will allow us to focus on establishing our core business of providing asset management and corporate governance services to Altisource Residential Corporation, a Maryland corporation (“Residential”). Residential was recently formed to acquire and own single-family rental assets. We intend to support Residential, and other future customers, in developing and executing their business strategies.

We expect AAMC to become a stand-alone public company on or about [ ], 2012, upon receipt of all required approvals and the satisfaction of any other conditions. We anticipate that our shares of common stock will be listed on the [ ] under the symbol “[ ].”

I encourage you to learn more about AAMC 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 value for you, our shareholders.

Sincerely,

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William C. Erbey  
Chairman  
Altisource Asset Management Corporation

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**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 November 1, 2012**

**INFORMATION STATEMENT RELATING TO THE DISTRIBUTION OF COMMON STOCK OF**

**ALTISOURCE ASSET MANAGEMENT CORPORATION**

**by**

**ALTISOURCE PORTFOLIO SOLUTIONS S.A.  
to Shareholders of Altisource Portfolio Solutions S.A.**

This information statement is being furnished in connection with the spin-off (the “Spin-Off”) of Altisource Asset Management Corporation (“AAMC”) from Altisource Portfolio Solutions S.A. (“Altisource”) by way of a taxable pro-rata distribution of all of the common stock of AAMC to the Altisource shareholders (the “Distribution”). We refer to the Spin-Off and the Distribution collectively as the “Separation.” Immediately after the Separation is completed, AAMC will be a stand-alone public company.

For every 10 shares of Altisource common stock, par value \$1.00 per share, which we refer to as Altisource common stock, that you hold as of 5:00 p.m. Eastern Time on [ ], 2012, the record date for the Distribution (the “Record Date”), you will receive 1 share of AAMC common stock, par value \$0.01 per share, which we refer to as AAMC common stock or our common stock. We expect Altisource to distribute shares of our common stock to Altisource’s shareholders at 5:00 p.m. Eastern Time on [ ], 2012 (the “Separation Date”). As discussed more fully in this information statement, if you sell shares of Altisource 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 AAMC common stock in the Separation. For additional information, see “The Separation.”

You will not be required to pay any consideration for the AAMC common stock or to surrender any of your Altisource common stock. We are not asking you for a proxy and request that you do not send us one.

All of the outstanding shares of our common stock are currently owned by Altisource. 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 [ ] days prior to the Separation Date, and we expect that “regular way” trading of our common stock will begin on the first trading day after the Separation Date. We expect the AAMC common stock to be listed on the [ ] under the symbol “[ ].”

**In reviewing this information statement, you should carefully consider the matters described under the caption “Risk Factors” beginning on page 10.**

**Neither the Securities and Exchange Commission nor any state or territory 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.**

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**This information statement does not constitute an offer to sell or the solicitation of an offer to buy any securities.**

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The date of this information statement is November 1, 2012.

This information statement was first mailed to Altisource shareholders on or about [ ], 2012.

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We are furnishing this information statement solely to provide information to Altisource 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 Altisource. This information statement describes our business, the relationship between Altisource and AAMC, and how the Separation affects Altisource and its shareholders, and it also 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.

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## QUESTIONS AND ANSWERS ABOUT ALTISOURCE ASSET MANAGEMENT CORPORATION AND THE SEPARATION

***What assets, liabilities and operations will comprise AAMC in connection with the Separation?***

In connection with the Separation, we expect to enter into a "Separation Agreement" with Altisource that will contain the key provisions relating to the transaction including identification of the assets to be transferred, and that will describe the material terms of when and how this transfer will occur. We anticipate the only significant assets to be transferred will be cash, property and equipment. We do not anticipate the transfer of significant liabilities, and there are no operations included in the transfer. In addition, we expect to enter into a "Tax Matters Agreement" with Altisource setting out each party's rights and obligations with respect to Luxembourg and United States ("U.S.") federal, state, territorial and local 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 Separation. See "Risk Factors—Risks Related to the Separation," "Relationship Between Altisource and Us Following the Separation" and "Certain Relationships and Related Party Transactions."

***What will AAMC's Relationship with Altisource be after the Separation?***

In connection with the Separation, we expect to enter into a two year "Support Services Agreement" under which Altisource will provide certain services to us. There are other arrangements between us and Altisource that will continue following the Separation. See "Relationship Between Altisource and Us Following the Separation" for additional details of these agreements.

Although Altisource is a separate company, Altisource and AAMC have the same Chairman, William C. Erbey. Mr. Erbey currently owns [ ]% of Altisource and will own [ ]% of our common stock immediately following the Separation. This arrangement with Altisource may involve, or may appear to involve, conflicts of interest. See "Certain Relationships and Related Party Transactions" and "Risk Factors—Risks related to Conflicts of Interest."

***Do AAMC's organizational documents contain any anti-takeover provisions?***

Our formation and governance documents (including our Articles of Incorporation) and United States Virgin Islands law 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 [ ]% of the voting power of our outstanding voting stock will be 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 AAMC since it could be easier or more difficult for third parties to obtain any requisite shareholder approval for acquisition or change in control.

See "Description of Capital Stock" and "Certain Provisions of our Articles of Incorporation and Bylaws."

***What are the U.S. federal income tax consequences of the Separation?***

The Separation will be a taxable distribution for U.S. shareholders for U.S. federal income tax purposes. The taxable distribution will be equal to the fair market value of the AAMC common stock you receive in the Distribution. That amount will be taxable as a dividend to the extent of Altisource's current and accumulated earnings and profits, calculated

and profits, it will be treated as a tax-free return of capital to the extent of the tax-basis in your Altisource shares, and then as a capital gain.

***What are the U.S. federal withholding tax consequences of the Separation?***

The Distribution by Altisource to its shareholders will not be subject to U.S. federal withholding taxes.

***What are the Luxembourg income tax consequences of the Separation?***

A non-Luxembourg resident holder will not be subject to Luxembourg income taxes on the Distribution received from Altisource unless the shares are attributable to a permanent establishment or a fixed place of business maintained in Luxembourg by such non-Luxembourg shareholder. A Luxembourg resident individual shareholder will be subject to Luxembourg income taxes on dividend income and similar distributions with respect to shares in Altisource. A Luxembourg resident corporation may benefit from the Luxembourg participation exemption with respect to the receipt of the Distribution, if certain conditions are met. See “The Separation—Certain Luxembourg Tax Consequences of the Separation.”

***What are the Luxembourg withholding tax consequences of the Separation?***

The Distribution by Altisource to its shareholders will not be subject to Luxembourg withholding taxes. See “The Separation—Certain Luxembourg Tax Consequences of the Separation.”

***What are the United States Virgin Islands income tax consequences of the Separation?***

Non-United States Virgin Islands resident individual U.S. shareholders and Non-United States Virgin Islands resident corporate shareholders will not be subject to United States Virgin Islands income taxes on the Distribution. See “The Separation—Taxation of AAMC Under the United States Virgin Islands and U.S. Tax Laws Subsequent to the Separation.”

***What are the United States Virgin Islands withholding tax consequences of the Separation?***

U.S. shareholders will not be subject to United States Virgin Islands withholding tax on the Distribution. Corporate U.S. shareholders are exempt from withholding on the Distribution. U.S. shareholders who are U.S. citizens are also not subject to United States Virgin Islands withholding tax on the Distribution. All other U.S. shareholders will not be subject to United States Virgin Islands withholding tax so long as the shareholders’ beneficial owners are U.S. citizens. See “The Separation—Taxation of AAMC Under the United States Virgin Islands and U.S. Tax Laws Subsequent to the Separation.”

**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 Luxembourg, United States Virgin Islands, U.S. federal, state, local, or other territorial and foreign tax laws and of changes in applicable tax laws.**

***What are the risks associated with AAMC 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 10 shares of Altisource common stock that you own on the Record Date, you will receive 1 share of AAMC common stock, which is referred to as the “Separation Ratio.” If you would be entitled to a fractional share of AAMC common stock, you will instead receive a cash payment in lieu of the fractional share. See “The Separation—Treatment of Fractional Shares.”

***When will the Separation occur?***

Altisource currently anticipates completing the Separation at 5:00 p.m. Eastern Time on [ ], 2012, which we refer to as the “Separation Date.” When we refer to the “Separation Date,” we are referring to that date and time.

***What is the Record Date for the Separation?***

The Record Date is [ ], 2012, and ownership of Altisource common stock is 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.

***Is shareholder approval required for the Separation?***

Shareholder approval is not required for the Separation. Subsequent to final approval by the Altisource Board of Directors and regulatory approval, Altisource will distribute its ownership interest in AMMC to its existing shareholders as of the Record Date.

***What do I have to do to receive my shares of AAMC common stock?***

Nothing. Your shares of AAMC 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 [ ], 2012 or credited to your account with your broker or nominee on or about [ ], 2012.

***When will I receive my shares of AAMC common stock?***

If you hold your shares of Altisource common stock through your broker or other nominee, you are probably not a shareholder of record, and your receipt of shares of AAMC common stock will depend on your arrangements with the nominee that holds your shares of Altisource common stock for you. Altisource anticipates that brokers and other nominees generally will credit their customers’ accounts with shares of AAMC common stock on or about [ ], 2012, but you should check with your broker or other nominee. See “The Separation—When and How You Will Receive AAMC Common Stock.”

***How will shares of AAMC common stock be distributed to me?***

Altisource will distribute the shares of AAMC common stock by book entry. If you were a record holder of Altisource common stock on the Record Date, then you will receive from our transfer agent shortly after [ ], 2012 a statement of your book entry account for the shares of AAMC common stock that are distributed to you. You will not receive physical stock certificates for your

shares of AAMC common stock. If you were not a record holder of Altisource common stock on the Record Date because your shares are held on your behalf by your broker or other nominee, then your shares of AAMC common stock should be credited to your account with your broker or nominee on or about [ ], 2012.

***Will Altisource distribute fractional shares of AAMC common stock?***

Fractional shares of AAMC 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 such cash payment may be taxable to you. See “The Separation—Treatment of Fractional Shares.”

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***Will the Separation affect the market price of my shares of Altisource common stock?***

Following the Separation, Altisource common stock will continue to be listed and traded on the NASDAQ Global Select Market under the symbol “ASPS.” As a result of the Separation, the trading price of Altisource shares immediately following the Separation may be lower than immediately prior to the Separation. Until the market has fully analyzed the operations of Altisource without AAMC, the price of Altisource shares may fluctuate significantly. See “The Separation—Listing and Trading of the Shares of AAMC Common Stock.”

***Where will my shares of AAMC trade?***

We expect that the shares of AAMC common stock will listed on the [ ] under the trading symbol “[ ]” following completion of the Separation. Trading of AAMC common stock will begin on a “when-issued” basis on [ ], 2012. See “The Separation—Listing and Trading of the Shares of AAMC Common Stock.”

***When will I be able to trade shares of AAMC common stock?***

Trading of AAMC common stock will begin on a “when-issued” basis on [ ], 2012. “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 AAMC common stock generally will be freely tradable after the Separation Date although the share price may be subject to greater trading volatility than Altisource shares historically have experienced. See “The Separation—Listing and Trading of the Shares of AAMC Common Stock.”

***What is AAMC’s dividend policy?***

We have no current plans to pay dividends. All decisions regarding the declaration and payment of dividends will be at the discretion of our Board of Directors 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.

***How will AAMC be managed?***

After the Separation, AAMC will have an initial Board of Directors consisting of seven directors. William C. Erbey is the Chairman of our Board of Directors. See “Management—Board of Directors and Corporate Governance.”

Our Chief Executive Officer will be Ashish Pandey, currently the Chief Executive Officer of Correspondent One S.A. (“Correspondent One”), a company affiliated with Altisource. Our Chief Financial Officer will be Rachel M. Ridley. David P. Durm, currently a Vice President with Altisource, will serve as General Counsel and Secretary. See “Management—Directors and Executive Officers.”

***How will existing stock options be treated in the Separation?***

Currently, stock options are outstanding under Altisource’s 2009 Equity Incentive Plan and other equity incentive plans. The exercise price of each outstanding stock option of Altisource will be adjusted to reflect the value of AAMC stock distributed to Altisource shareholders. At the Separation

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Date, all holders of Altisource stock options will receive the following:

- stock options (issued by AAMC) to acquire the number of shares of AAMC common stock equal to the product of (a) the number of Altisource stock options held on the Separation Date and (b) the distribution ratio of 1 share of AAMC common stock for every 10 shares of Altisource common stock and
- an adjusted Altisource stock option, replacing the original Altisource option, for the same number of shares of Altisource common stock with a reduced exercise price per stock option.

We will determine the exercise price of the new AAMC stock option and the adjusted Altisource stock option in a manner so that the intrinsic value of the stock option to its holder will be the same as of the Separation Date.

***Do I have appraisal rights in connection with the Separation?***

No. Shareholders of Altisource common stock have no appraisal rights in connection with the Separation. See “The Separation—No Appraisal Rights.”

***Who is the transfer agent for AAMC’s common stock?***

The transfer agent for AAMC’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.

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## SUMMARY

*This summary highlights selected information contained elsewhere in this information statement relating to the separation of AAMC from Altisource and the distribution of AAMC common stock by Altisource to Altisource’s shareholders. This summary may not contain all of the information that is important to you. To better understand the Separation and AAMC, you should carefully read this entire information statement including the risks described in “Risk Factors” and the financial statements and the notes thereto beginning on page F-1.*

*Except as otherwise indicated or unless the context otherwise requires, “Altisource Asset Management Corporation,” “AAMC,” “we,” “us,” “our” and “the Company” refer to Altisource Asset Management Corporation, a United States Virgin Islands corporation; all references to “Altisource” are to Altisource Portfolio Solutions S.A., a Luxembourg société anonyme and its subsidiaries.*

### **Our Business**

We are organized as a United States Virgin Islands corporation and were recently formed by Altisource to provide asset management and corporate governance services (the “Services”) to Altisource Residential Corporation (including Altisource Residential, L.P., its operating partnership through which it will acquire and hold its assets, “Residential”) under a 15-year asset management agreement (the “Residential Asset Management Agreement”). Residential was recently formed to acquire and own single-family rental assets. In addition, we intend to make an investment in NewSource Reinsurance Company Ltd., a title insurance and reinsurance company that will be formed following the Separation and domiciled in Bermuda (“NewSource”).

Ours is a capital light strategy with profits available for share repurchases and dividends. Initially, Residential will be our primary source of revenue and will drive our potential future growth. The Residential Asset Management Agreement will entitle us to incentive fees that will give us an increasing share of Residential’s cash flow as distributions to its shareholders increase as well as reimbursement for certain overhead and operating expenses. Accordingly, our operating results will be highly dependent on our ability to help Residential achieve positive operating results.

### **AAMC’s Business Strategy**

Our business strategy is to:

- assist Residential in generating a growing stream of dividends to Residential’s shareholders, thereby growing our earnings;
- assist Residential in generating a steady, stable cash flow stream from NewSource’s title insurance and reinsurance business and
- develop other scalable investment strategies and vehicles by leveraging the expertise of our management team.

### **Residential’s Business Strategy**

Residential’s business strategy is to provide a growing stream of dividends to its shareholders by:

- Acquiring single-family rental assets at an attractive cost relative to the market for acquiring residential real estate at or following the foreclosure sale (“REO” or “REO Properties”) through the purchase of non-performing loan portfolios. Residential’s goal will be to capture what it views as the positive arbitrage in today’s market between the price of non-performing loans, adjusted for carrying costs, and the value of the underlying real estate assets when sold as REO and
- Managing single-family rental assets nationwide at a lower cost than that of its competitors.

To help Residential achieve this strategy, we have leveraged our strategic relationships with Altisource and Ocwen Financial Corporation (“Ocwen”). These relationships will provide Residential with what we believe are two significant competitive advantages.

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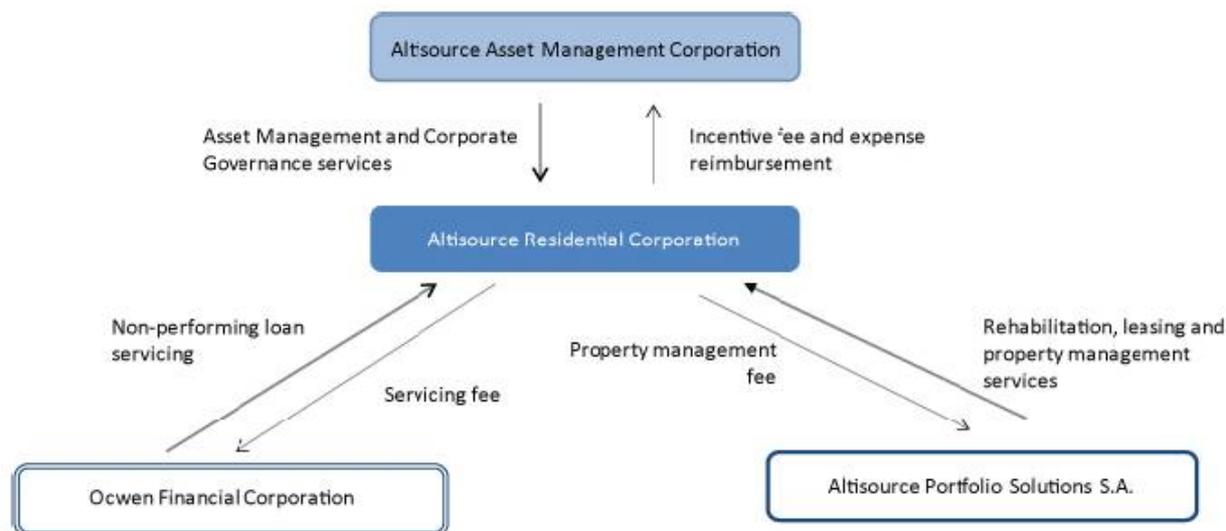
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First, we have arranged for Residential’s 15-year servicing agreement with Ocwen (the “Ocwen Servicing Agreement”), which we expect will enable Residential to obtain single-family rental assets at a discount to the typical REO acquisition price by acquiring sub-performing and non-performing loans. This arbitrage exists because there are extended timelines, complexities and uncertainties in managing non-performing and sub-performing loans resulting from the loan modification, foreclosure and REO sale processes. We believe that Ocwen’s extensive mortgage servicing experience will enable Residential to shorten non-performing loan resolution timelines by effectively and efficiently (1) converting a portion of the non-performing loan portfolio to performing status and (2) managing the foreclosure process and timelines with respect to the remainder of the portfolio.

Based on the industry experience of our management team, we believe non-performing loans often sell for as low as 55% of the estimated value of the underlying property securing the loan. We expect that a portion of the non-performing loans will be returned to performing status primarily through loan modifications. After the loans are modified, and following a short seasoning period, we expect the borrowers to refinance these loans near the estimated value of the underlying property — generating very attractive returns for Residential.

We expect that, despite efforts to modify or return the mortgage loans to a performing status, a portion of these mortgage loans will enter into foreclosure, ultimately becoming REO that can be converted into single-family rental assets. Even after considering the foreclosure expenses and the time value of money, Residential should be able to acquire REO through the mortgage loan default process at a discount to the typical REO acquisition price. Additionally, as Residential intends to retain the majority of the underlying real estate assets, it will avoid some of the typical REO costs (such as real estate brokerage commissions).

Second, we have arranged for Residential’s 15-year Master Services Agreement with Altisource for Altisource to provide construction management, leasing and property management services (the “Altisource Master Services Agreement”). We believe that Altisource’s real property management experience and centralized vendor management model will allow Residential to operate single-family rental assets at a lower cost than its competitors. Residential’s goal is to minimize its property management expenses for a single-family rental asset so that those expenses will be similar to that for an apartment unit managed by a multi-family REIT. Further, because of Altisource’s distributed vendor model, Residential can acquire assets without regard to their location or density. This allows Residential to competitively bid on large sub-performing or non-performing mortgage portfolios with assets dispersed throughout the United States. Altisource has extensive property management operational experience, managing and maintaining over 90,000 REO Properties for others over the last three years, which represents approximately \$9 billion of estimated value in such properties.



While the Ocwen Servicing Agreement and Altisource Master Services Agreements are not exclusive arrangements, we believe that these relationships will provide Residential with significant competitive advantages with respect to acquiring and maintaining single-family rental assets, which represent a \$3 trillion growth market. We intend for Residential to acquire single-family rental assets with the intention to hold these assets over the long-term with a focus on developing brand and franchise value. We also believe that the forecasted growth for the single-family rental marketplace, in combination with Residential’s projected asset management and acquisition costs and its ability to acquire assets without concern as to their location or density provide us with a significant opportunity to establish Residential as a leading, externally-managed residential REIT.

### AAMC’s Competitive Strengths

To enable Residential to execute on its business strategy, we will leverage the following competitive strengths:

- *Experienced Management Team.* We have a cohesive management team with extensive industry experience in real estate, non-performing loan portfolios and mortgage loan servicing. The management team also has strong relationships in the mortgage industry to help source single-family residential rental assets and mortgage loans. Our team possesses years of experience in negotiating complex real estate and loan portfolio acquisition and disposition transactions and a history of success overseeing service providers on behalf of institutional and other sophisticated investors;

- *Strategic Relationships.* We have strategic relationships with Ocwen and Altisource which we expect will provide us with significant competitive advantages with respect to the servicing of non-performing and sub-performing loans and the management of REO properties;
- *Proprietary Valuation Models and Data.* We have significant experience developing and applying complex proprietary valuation models that leverage an extensive historical database. Our knowledge and understanding of diverse real estate related investment assets and their complexities and inter-relationships allows us to develop appropriate strategies to assist Residential in maximizing returns and
- *Tax Efficient Structure.* AAMC is headquartered in Frederiksted, St. Croix, in the United States Virgin Islands. The United States Virgin Islands has an economic development program that provides significant tax benefits, including, but not limited to, a 30-year credit against our corporate income tax equal to 90 percent of the otherwise applicable tax on eligible income (“EDC Benefits”) for certain qualified businesses located in Frederiksted. We applied for the EDC Benefits from the United States Virgin Islands Economic Development Commission (“EDC”) and received final approval of our application from the Governor of the United States Virgin Islands on August 10, 2012. As a result of our approval, our eligible income will be subject to income tax at an effective rate of 3.85%, and we will be exempt from (i) the United States Virgin Islands gross receipts tax which would otherwise be imposed at the rate of 5%, (ii) taxes on AAMC’s real property and (iii) certain territorial excise taxes.

We describe in this information statement the assets of AAMC that will be contributed by Altisource in connection with the Spin-Off as if AAMC were a separate business. As AAMC is a development stage company and has not commenced operations, no historical results of operations are presented. For additional information, see “The Separation—Introduction.”

Altisource sent this document to you because you are the holder of Altisource common stock on the Record Date for the distribution of shares of AAMC common stock. On April 26, 2012, Altisource announced its intention to spin-off a development stage company specializing in providing asset management and corporate governance services into a stand-alone public company. Accordingly, upon consummation of the Separation, you will be entitled to receive 1 share of AAMC common stock for every 10 shares of Altisource common stock that you held on the Record Date. We expect the Separation to occur at 5:00 p.m. Eastern Time on [ ], 2012.

You do not have to surrender or exchange your shares of Altisource common stock or pay cash or any other consideration to receive your shares of AAMC common stock. The number of shares of Altisource common stock that you currently own will not change as a result of the Separation.

This information statement describes our business, our relationship with Altisource and how this transaction affects Altisource and its shareholders. In addition, 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 Distribution.

References in this information statement to our historical assets generally refer to the historical assets of Altisource and its subsidiaries before the Separation. As we are a development stage company and have not commenced operations, there are no historical financial results of operations contained in this information statement. We cannot predict what our financial results will be in the future as a stand-alone public company.

## **Reasons for the Separation**

Altisource’s Board of Directors determined that separating the AAMC asset management and corporate governance services business from Altisource is in the best interests of Altisource’s shareholders. In arriving at its decision, the Board considered, among other factors, the following:

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### *Differing Business Strategies*

The Company will specialize in providing asset management and corporate governance services to its clients and will be focused on developing scalable investment strategies and vehicles for its clients by leveraging the expertise of its management team. By contrast, Altisource does not engage in the business of asset management and corporate governance services. Altisource is primarily a provider of fee based services focused on high value, technology-enabled, knowledge-based functions principally related to real estate and mortgage portfolio management, asset recovery and customer relationship management.

### *Greater Strategic Focus of Financial Resources and Management’s Efforts*

The Company will have different financial and operating characteristics than Altisource’s other businesses. Owing to these and other factors, we and Altisource will employ different capital structures and financing strategies. Consequently, Altisource has determined that its current structure may not be optimized to design and implement the distinct strategies necessary to operate its businesses in a manner that maximizes the long-term value of each business. We and Altisource believe that our respective management resources would be more efficiently utilized if Altisource’s management concentrates solely on its success as a provider of services focused on high value, technology-enabled, knowledge-based functions and our management concentrates solely on our business. The dilution of attention involved in managing these businesses with competing goals and needs will thus be eliminated.

### *Enhanced Investor Choices by Offering Investment Opportunities in Separate Entities*

We believe investors in the Company will be better positioned to evaluate our financial performance and strategy within the context of our particular field of operations and peer groups, and that this will enhance the likelihood that we achieve an appropriate market valuation. Both we and Altisource believe that our investment characteristics may appeal to types of investors who differ from Altisource’s current investors. Both we and Altisource expect that, as a result of the Separation, our management will be better positioned to implement goals and evaluate strategic opportunities in light of investor expectations within the context of our particular field of operation.

### *Improved Management Incentive Tools*

Where appropriate, we expect to use equity to compensate current and future employees. It is more difficult for multi-business companies such as Altisource to structure equity incentives that reward managers in a manner directly related to the performance of their respective business units. By granting equity compensation linked to the performance of AAMC’s business, we will be able to offer our managers equity compensation that is linked more directly to their work product.

In determining whether to effect the Separation, Altisource’s Board of Directors also considered the costs and risks associated with the transaction, including:

- the potential costs and disruptions as a result of the Separation;
- the risks of being unable to achieve the benefits expected from the Separation;
- the increased significance to the Company of certain costs and liabilities;
- the risk that the Separation might not be completed and the one-time and ongoing costs of the Separation; and
- certain other risks associated with the Separation and the operation of our business following the Separation, as described under the heading “Risk Factors” of this information statement.

## **Regulatory Approval**

Apart from the registration under U.S. federal securities laws of the AAMC common stock that will be issued in the Separation, we do not believe that any other material governmental or regulatory filings or approvals will be necessary to consummate the Separation.

## No Appraisal Rights

Altisource 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

AAMC is incorporated and conducts its operations in the United States Virgin Islands. Our principal executive offices are located at 402 Strand St., Frederiksted, United States Virgin Islands 00840-3531, and our main telephone number is (340) 692-1055. Our corporate website is located at [www.altisourceamc.com](http://www.altisourceamc.com). The information contained in, or that can be accessed through, our website is not part of this information statement.

## RISK FACTORS

### RISKS RELATED TO OUR BUSINESS IN GENERAL

***We are a development stage company and have generated no revenue since our inception. If we are unable to implement our business strategy or operate our business as we currently expect to do, our operating results may be adversely affected.***

We are a development stage company and our business model is untested. Businesses like ours, which are starting up or in their initial stages of development, present substantial business and financial risks and may suffer significant losses. We cannot predict what our results of operations, financial condition and cash flows will be once we commence operations and operate as a stand-alone public company. We have generated no revenue to date and may not have sufficient capital to implement our business model. In addition, there are increased costs associated with being a stand-alone public company, including maintaining a separate Board of Directors and obtaining a separate audit, in addition to accounting, tax, legal, insurance and compliance costs and other professional fees. Currently, we are unable to estimate the amount of such expenses. As a result of these circumstances, we cannot assure you that the business will become profitable, or, if we become profitable, that it will be sustainable. The income potential of our proposed business is unproven, and the absence of an operating history makes it difficult to evaluate our prospects. We may not be able to execute our business strategy as planned which may adversely impact our financial performance.

***The success of our business is dependent on Residential’s ongoing access to sufficient and cost-effective sources of capital.***

Residential is a development stage company and has not generated any revenue to date and may not have sufficient working capital to implement its investment strategies. Residential may need to utilize a variety of funding sources to provide sufficient capital to effectively carry out its business plan over the long term. Our success is dependent on Residential’s ability to obtain such capital. Currently, the primary source of Residential’s liquidity will be the cash on hand subsequent to its Separation from Altisource. In the future, Residential may need to utilize various secondary sources of liquidity, including without limitation accessing the capital markets to issue debt or equity securities, or engaging in collateralized or other borrowings from third party banks, all or any of which may not be available or have terms that are not cost-effective, therefore having an adverse impact on our financial performance.

***The asset management business is intensely competitive.***

The asset management business is intensely competitive, driven by a variety of factors, including asset performance, the quality of service provided to clients, brand recognition and business reputation. Our asset management business will compete with a number of other asset managers. A number of factors serve to increase our competitive risks:

- a number of our competitors may have greater financial, technical, marketing and other resources and more personnel than we do;
- our clients may not perform as well as the clients of our competitors;
- several of our competitors and their clients have significant amounts of capital and many of them have similar management objectives to ours which may create additional competition for management opportunities;
- some of these competitors’ clients may also have a lower cost of capital and access to funding sources that are not available to our clients which may create competitive disadvantages for us with respect to funding opportunities;
- some of our competitors’ clients may have higher risk tolerances, different risk assessments or lower return thresholds which could allow them to facilitate the acquisition and management by their clients of a wider variety of assets and allow them to advise their clients to bid more aggressively than our clients for assets on which we would advise our clients to bid;

- there are relatively few barriers to entry impeding new asset management firms, and the successful efforts of new entrants into the asset management business is expected to continue to result in increased competition;
- some of our competitors may have better expertise or be regarded by potential clients as having better expertise with regards to specific assets and
- other industry participants will from time to time seek to recruit members of our management team and other employees away from us.

***The risks associated with Residential's business that could adversely affect its ability to generate revenue and pay distributions to its shareholders are risks to our business.***

Initially, Residential will be our primary source of revenue and will drive our potential future growth. Any risk associated with Residential's business that would adversely affect its ability to generate revenue and pay distributions to its shareholders is a risk to our business, as our revenues, results of operations and financial condition significantly depend upon incentive fees paid to us as a percentage of cash distributions made by Residential to its shareholders.

***We are initially dependent on Residential, another development stage company, as our only customer, the loss of which, or Residential's inability to pay for our Services, could reduce our revenues.***

On the Separation Date, Residential will be our sole customer. The loss of this key customer or its failure to pay us would adversely affect our revenues, results of operations and financial condition. Residential is also a development stage company and has not generated any revenue to date.

***The risks associated with NewSource's business that could adversely affect its ability to generate revenue and pay our asset management fee are risks to our business and the value of our investment in NewSource.***

Shortly after the Separation Date, we intend to invest in the voting common stock of NewSource. In conjunction with our investment in NewSource, we intend to provide our Services to NewSource in exchange for an annual asset management fee pursuant to an asset management agreement (the "NewSource Asset Management Agreement"). Any risk associated with NewSource's business that would adversely affect its ability to generate revenue and pay our asset management fee is a risk to our business, as our revenues, results of operations and financial condition will depend upon our investment in NewSource and our ability to generate fee revenue.

***Failure of Residential to qualify as a REIT would have significant adverse consequences to us.***

Residential intends to elect and qualify to be taxed as a REIT for U.S. federal income tax purposes. Residential's qualification as a REIT will depend upon its ability to meet, on an ongoing basis, requirements regarding its organization and ownership, distributions of its income, and the nature and diversification of its income and assets as well as other tests imposed by the U.S. Internal Revenue Code of 1986, as amended (the "Code"). Residential may fail to satisfy the REIT requirements in the future. If the U.S. Internal Revenue Service ("IRS") determines that Residential does not qualify as a REIT or if it qualifies as a REIT and subsequently loses its REIT qualification, either circumstance may adversely affect Residential's ability to make incentive fee payments to us.

***If Residential is deemed to be an investment company under the Investment Company Act, it would have significant adverse consequences to us.***

Residential does not intend or expect to be an investment company under the Investment Company Act of 1940 (the "Investment Company Act"), since it will not engage primarily or hold itself out as being engaged primarily in the business of investing, reinvesting or trading in securities. Rather, Residential will be primarily engaged in the business of purchasing or otherwise acquiring real estate and mortgages on real estate, specifically single-family rental assets and sub-performing and non-performing loans.

To the extent that the Securities and Exchange Commission (the "SEC") determines that Residential is in fact an investment company, Residential intends to rely on the exception from the Investment Company Act set forth in Section 3(c)(5)(C) of the Investment Company Act, which excludes from the definition of investment company

"[a]ny person who is not engaged in the business of issuing redeemable securities, face-amount certificates of the installment type or periodic payment plan certificates, and who is primarily engaged in one or more of the following businesses: . . . (C) purchasing or otherwise acquiring mortgages and other liens on and interests in real estate." The SEC has historically taken the position that an issuer may rely on the exception provided by Section 3(c)(5)(C) as long as at least 55% of its assets consist of "qualifying interests," such as mortgage loans which are secured by real estate and other liens on and interests in real estate, and an additional 25% consists of real estate-type interests. The SEC has also historically indicated that up to 20% of an issuer's total assets may be invested in miscellaneous investments. Other than Residential's investment in NewSource, Residential believes that all of its assets will fall within the definition of "qualifying assets." Additionally, Residential does not currently expect to issue redeemable securities, face-amount certificates of the installment type or periodic payment plan certificates, as those terms are defined by the Investment Company Act. Consequently, Residential believes that it will not be required to register under the Investment Company Act.

If Residential is deemed to be an investment company and its investment in NewSource accounts for more than 20% of its assets, it could be required to dispose of its NewSource investment (or a portion thereof) in order to qualify for the 3(c)(5)(C) exception. We expect that Residential's investment in NewSource will constitute less than 20% of its assets shortly after the Separation Date. Consequently, we do not believe that Residential's investment in NewSource will impact its ability to continue to rely on the Section 3(c)(5)(C) exemption.

In August 2011, the SEC issued a concept release which indicated that the SEC is reviewing whether certain mortgage related pools which rely (like Residential) on the exception from registration under Section 3(c)(5)(C), should continue to be allowed to rely on such exception from registration. Since Residential's primary investment strategy is to directly invest in REO Properties and mortgages secured by real estate, Residential does not believe that the SEC's review will have a material impact on its status as a non-investment company business or its ability to continue to rely on the Section 3(c)(5)(C) exception; however, Residential cannot provide any assurance that the outcome of the SEC's review will not require Residential to register under the Investment Company Act. If Residential is determined to be an investment company or it fails to qualify for this exception from registration as an investment company, or the SEC determines that companies that engage in businesses similar to Residential's are no longer able to rely on this exception, Residential may be required to register as an investment company under the Investment Company Act.

Registration under the Investment Company Act would require Residential to comply with a variety of substantive requirements that impose, among other things:

- limitations on capital structure;
- restrictions on specified investments;

- restrictions on retaining earnings;
- restrictions on leverage or senior securities;
- restrictions on unsecured borrowings;
- requirements that Residential’s income be derived from certain types of assets;
- prohibitions on transactions with affiliates; and
- compliance with reporting, record keeping, voting, proxy disclosure and other rules and regulations that would significantly increase Residential’s operating expenses.

If Residential were required to register as an investment company but failed to do so, it would be prohibited from engaging in its business, and criminal and civil actions could be brought against it.

Registration with the SEC as an investment company would be costly, would subject Residential to a host of complex regulations and would divert attention from the conduct of Residential’s business. In addition, if Residential purchases or sells any real estate assets to avoid becoming an investment company under the Investment Company Act, it could materially adversely affect its net asset value, the amount of funds available for investment and its ability to pay distributions to Residential’s shareholders. Any such occurrences would adversely impact our revenues from incentive fees paid by Residential.

***The reduced disclosure requirements applicable to us as an “emerging growth company” or a “smaller reporting company” may make our common stock less attractive to investors.***

We are an “emerging growth company” as defined in the Jumpstart Our Business Startups Act of 2012 (the “JOBS Act”), and we may avail ourselves of certain exemptions from various reporting requirements of public companies that are not “emerging growth companies,” including, but not limited to, an exemption from complying with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act of 2002 and, like smaller reporting companies, reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements, and exemptions from the requirement of holding a nonbinding advisory vote on executive compensation and stockholder approval of any golden parachute payments not previously approved. We may remain an “emerging growth company” for up to five full fiscal years following our initial public offering. We would cease to be an emerging growth company, and, therefore, become ineligible to rely on the above exemptions, if we have more than \$1 billion in annual revenue in a fiscal year, if we issue more than \$1 billion of non-convertible debt over a three-year period, or on the date that we become a “large accelerated filer” as defined in Rule 12b-2 under the Securities Exchange Act of 1934, which would occur if the market value of our common stock that is held by non-affiliates exceeds \$700 million as of the last business day of our most recently completed second fiscal quarter. We cannot predict if investors will find our common stock less attractive because we may rely on these exemptions.

Additionally, we are a “smaller reporting company” as defined in Rule 12b-2 of the Exchange Act. As a smaller reporting company we prepare and file SEC forms similar to other SEC reporting companies; however the information disclosed may differ and be less comprehensive. For example, smaller reporting companies are not required to make risk factor disclosures in Item 1A of Form 10-K.

If some investors find our common stock less attractive as a result of the exemptions available to us as a smaller reporting company or an emerging growth company, there may be a less active trading market for our common stock (assuming a market ever develops) and our stock price may be more volatile than that of an otherwise comparable company that does not avail itself of the same or similar exemptions.

***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 will 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. In the event that, for any reason, we are unable to retain our key personnel, it may be difficult for us to secure suitable replacements on acceptable terms. This would adversely impact the development and implementation of our growth strategies.

***The continuing unpredictability of the credit markets may restrict our access to capital and may make it difficult or impossible for us to obtain any required additional financing.***

The domestic and international credit markets continue to be unpredictable. In the event that we need additional capital for our business, we may have a difficult time obtaining it and/or the terms upon which we can obtain it would have an adverse impact on our financial performance.

***Our business could be significantly impacted if we suffer failure or disruptions of our information systems.***

We will rely heavily on communications, data processing and other information processing systems to conduct our business and support our day-to-day activities, most services of which are provided through Altisource. Thus, our business requires the continued operation of Altisource’s sophisticated information technology systems and network infrastructure. These systems are vulnerable to interruption by fire, loss, system malfunction and other events, which are beyond our control. Systems interruptions could reduce our ability to provide our Services and could have an adverse effect on our operations and financial performance.

***Failure of Altisource to effectively perform its obligations under various agreements with Residential and us, including the Altisource Master Services Agreement, could have an adverse effect on Residential’s and our business and performance.***

Both Residential and we will engage Altisource to provide services subsequent to the Separation. If for any reason Altisource is unable to perform the services described under these agreements at the level and/or the cost that the Company anticipates, alternate service providers may not be readily available on acceptable terms or at all, which could adversely affect Residential’s and our operating results as well as our ability to execute our business plan.

In addition, Residential will be required to pay Altisource for the services it provides pursuant to the Altisource Master Services Agreement. If Residential fails to pay Altisource or otherwise defaults under the Altisource Master Services Agreement, Altisource may cease to act under the Altisource Master Services Agreement which would adversely affect Residential's operating results, thereby decreasing our revenues from incentive fees paid by Residential and adversely affecting our ability to execute our business plan.

***Failure of Ocwen to effectively perform its servicing obligations under the Ocwen Servicing Agreement could have an adverse effect on Residential's and our business and performance.***

Residential will be contractually obligated to service the residential mortgage loans that it ultimately acquires. Residential will not have any employees, servicing platform, licenses or technical resources necessary to service its acquired loans. Consequently, Residential will engage Ocwen to service the loans it acquires. If for any reason Ocwen is unable to service the acquired loans at the level and/or the cost that the Company anticipates, an alternate servicer may not be readily available on acceptable terms or at all, which could adversely affect Residential's operating results, thereby decreasing our revenues from incentive fees paid by Residential.

In addition, under the Ocwen Servicing Agreement, Residential will be required to pay Ocwen fees for servicing Residential's acquired mortgage loans. If Residential fails to pay Ocwen or otherwise defaults under the Ocwen Servicing Agreement, Ocwen may cease to act as the servicer under the Ocwen Servicing Agreement which would adversely affect Residential's operating results, thereby decreasing our revenues from incentive fees paid by Residential.

***Failure to obtain or retain the tax benefits provided by the United States Virgin Islands would adversely affect our financial performance.***

AAMC is headquartered in Frederiksted, St. Croix, in the United States Virgin Islands. The United States Virgin Islands has an economic development program that provides EDC Benefits to certain qualified businesses in Frederiksted. We applied for the EDC Benefits from the EDC and received approval of our application by the Governor of the United States Virgin Islands on August 10, 2012. It is possible that we may not be able to retain our qualifications for the EDC Benefits, or that changes in U.S. federal, state, local, territorial or United States Virgin Islands taxation statutes or applicable regulations may cause a reduction in or an elimination of the EDC Benefits, all of which could result in a significant increase to our tax expense, and therefore adversely affect our financial performance.

## **RISKS RELATED TO THE ACQUISITION AND OWNERSHIP OF REAL ESTATE AND REAL ESTATE RELATED ASSETS**

***Residential's supply of REO Properties may be reduced by uncertainty in the lending industry and governmental sector.***

Residential's business model is dependent on the acquisition of a steady supply of REO Properties. The number of REO Properties may be reduced by uncertainty in the lending industry and the governmental sector. Lenders may choose to delay foreclosure proceedings, renegotiate interest rates or refinance mortgages for holders who face foreclosure. In recent years, the federal government has instituted a number of programs aimed at assisting at-risk mortgage holders and reducing the number of properties going into foreclosure. In the future, the federal government could institute additional programs to provide financial relief and assistance to mortgage holders at risk of foreclosure. Decisions by lenders and government programs that reduce the number of REO Properties could adversely affect Residential's business opportunities and impact its overall financial performance, thereby impacting our revenues from incentive fees paid by Residential.

***Residential's supply of REO Properties and financial performance may be impacted by federal, state and/or local action to increase timelines associated with foreclosure proceedings and/or the imposition of a moratorium on foreclosure proceedings or initial foreclosure filings.***

The number of REO Properties available and/or obtained by Residential may be reduced by federal, state and/or local action to increase timelines associated with foreclosure proceedings and/or the imposition of a moratorium on foreclosure proceedings or initial foreclosure filings. As in recent years, federal, state and/or local governing bodies or agencies may pass laws, regulations or take other legislative action that may delay or stop existing foreclosure proceedings and/or the commencement of foreclosure actions. Any such actions would reduce the number of REO Properties available and/or obtained by Residential and therefore could adversely affect Residential's business opportunities. Any such actions would also increase the carrying cost of non-performing loans that Residential expects to become REO and impact its overall financial performance. These occurrences could adversely impact our revenues from incentive fees paid by Residential.

***Residential's supply of sub-performing and non-performing loans may decline over time as a result of higher credit standards for new loans and/or general economic improvement.***

Residential's business model is also dependent on the acquisition of a steady supply of sub-performing and non-performing mortgage loans. As a result of the economic crisis in 2008, there is currently a large supply of sub-performing and non-performing loans available for Residential to acquire. However, in response to the economic crisis, the origination of jumbo, subprime, Alt-A and second lien mortgage loans has dramatically declined. In addition, lenders have increased their standards of credit-worthiness in originating new loans. For these reasons along with the general economic improvement in the economy, the supply of sub-performing and non-performing residential mortgage loans that Residential may acquire may decline over time and could adversely affect its business opportunities and result in a reduction of Residential's operating income, thereby decreasing our revenues from incentive fees paid by Residential.

***Competition in identifying and acquiring REO Properties and sub-performing and non-performing loans in a timely manner may adversely affect Residential's financial results.***

Residential will face competition from various companies for investment opportunities in REO Properties and sub-performing and non-performing loans, including REITs, pension funds, insurance companies, hedge funds, other investment funds and companies, partnerships and developers. Some third party competitors have substantially greater financial resources than Residential and may be able to accept more risk than Residential. Competition from these companies may reduce the number of suitable REO Properties and sub-performing and non-performing loan investment opportunities offered to Residential or may increase the bargaining power of asset owners seeking to sell. If such events occur, Residential's financial performance may be adversely impacted and therefore have adverse consequences to us.

Residential's operating results will depend on the availability of, and our ability to quickly identify, assist in acquiring and managing, appropriate REO Properties and sub-performing and non-performing loan investment opportunities. It may take considerable time for us to identify and for Residential to acquire appropriate REO Properties and sub-performing and non-performing loan investments. Given the existing competition, complexity of the market, and requisite time needed to make such investments, no assurance can be given that we will be successful in identifying, underwriting and then advising Residential on acquiring investments that satisfy Residential's return objectives. Furthermore, there is no assurance that such investments, once acquired, will perform as intended.

***Continued disruptions in the credit markets may adversely impact Residential's business opportunities and financial results.***

Disruptions and dislocations in the credit markets have materially impacted the cost and availability of debt to finance real estate acquisitions. This lack of available credit could result in a further reduction of suitable investment opportunities and create a competitive advantage for other companies that have greater financial resources than Residential. In addition, as the economy recovers, the number of companies and the amount of funds competing for suitable investments may increase. If Residential acquires single-family rental assets or REO Properties and other

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investments at higher prices or by using less than ideal capital structures, its returns will be lower and the value of its assets may not appreciate or may decrease significantly below the amount it paid for such assets. If such events occur, our revenues from incentive fees may be significantly affected.

***Changes in global economic and capital markets conditions, including periods of generally deteriorating real estate industry fundamentals, may significantly impact Residential's financial performance and therefore have adverse consequences to us.***

Residential will be, and therefore we will be, subject to risks generally incident to the ownership of real estate and real estate related assets, including decreases in residential property values, changes in global, national, regional or local economic, demographic and real estate market conditions, as well as other factors particular to the locations of our investments. A prolonged recession, such as the one experienced over the past few years, and a prolonged recovery period could adversely impact Residential's business as a result of, among other items, increased tenant defaults under Residential's leases, lower demand for residential rentals, as well as a potential oversupply of residential rental units, each of which could lead to increased concessions or reduced rental rates to maintain occupancies. These conditions could also adversely impact the financial condition of the tenants that occupy Residential's single-family rental assets and, as a result, their ability to pay rent to Residential, thereby decreasing our revenue from incentive fees paid by Residential.

In addition, we intend to invest in the voting common stock of NewSource, a title insurance company and reinsurance company. The demand for title insurance-related services depends in large part on the volume of real estate transactions. The volume of these transactions historically has been influenced by such factors as mortgage interest rates, availability of financing and the overall state of the economy. When market conditions cause real estate activity to decline, the title insurance industry tends to experience decreased revenues and earnings. Thus, a decline of activity in the real estate market could adversely impact both Residential's business and the value of our investment in NewSource.

***Unfavorable changes in market and economic conditions could adversely affect occupancy, rental rates, operating expenses and the overall market value of Residential's assets.***

Local conditions will significantly affect occupancy, rental rates and the operating performance of Residential's single-family rental assets. The risks that may adversely affect conditions in those markets include, amongst others, the following:

- joblessness or unemployment rates that adversely affect the local economy;
- an oversupply of, or a reduced demand for, single-family homes for rent;
- a decline in household formation or employment or lack of employment growth;
- the inability or unwillingness of residents to pay rent increases;
- rent control or rent stabilization laws, or other laws regulating housing, that could prevent Residential from raising rents to offset increases in operating costs and
- economic conditions that could cause an increase in Residential's operating expenses, such as increases in property taxes, utilities and routine maintenance.

Any such occurrence or similar occurrence may adversely affect Residential's financial condition and results of operations, thereby adversely affecting our revenues from incentive fees.

***Changes in applicable laws, or noncompliance with applicable laws, could adversely affect Residential's operations or expose Residential to liability.***

As an owner of real estate, Residential will be required to comply with numerous federal, state and local laws and regulations, some of which may conflict with one another or be subject to limited judicial or regulatory interpretations. These laws and regulations may include zoning laws, building codes, landlord-tenant laws and other laws generally applicable to business operations. Noncompliance with laws or regulations could expose Residential to liability.

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Lower revenue growth or significant unanticipated expenditures may result from Residential's need to comply with changes in (i) laws imposing remediation requirements and the potential liability for environmental conditions existing on properties or the restrictions on discharges or other conditions, (ii) rent control or rent stabilization laws or other residential landlord-tenant laws, or (iii) other governmental rules and regulations or enforcement policies affecting the rehabilitation, use and operation of Residential's single-family rental assets, including changes to building codes and fire and life-safety codes. The occurrence of either of both of such events may adversely affect Residential's financial condition and results of operations, thereby adversely affecting our revenues from incentive fees.

In addition, we expect NewSource, the title insurance and reinsurance company in which we intend to invest, to register as a Class 3A Bermuda insurance company and be subject to regulation and supervision in Bermuda by the Bermuda Monetary Authority. Changes in Bermuda insurance statutes, regulations and policies could result in restrictions on NewSource's ability to pursue its business plans, issue reinsurance policies, distribute funds and

execute its investment strategy. In addition, NewSource may become subject to regulation and supervision by insurance authorities in any other jurisdictions in which it operates. Failure to comply with or to obtain appropriate authorizations and/or exemptions under any applicable laws could result in restrictions on NewSource's ability to do business or certain activities that are regulated in one or more of the jurisdictions in which it operates and could subject NewSource to fines and other sanctions, which could have a material adverse effect on NewSource's business and adversely impact the value of our investment in NewSource.

***Short-term leases will expose Residential to the effects of declining market rents.***

Substantially all of Residential's leases will be for a term of two years or less. Because these leases will generally permit the residents to leave at the end of the lease term without penalty, Residential's rental revenues will be impacted by declines in market rents more quickly than if its leases were for longer terms. The effects of declining market rents may adversely affect Residential's financial condition and results of operations, thereby adversely affecting our revenues from incentive fees.

***Competition could limit Residential's ability to lease single-family rental assets or increase or maintain rents.***

Residential's single-family rental assets will compete with other housing alternatives to attract residents, including rental apartments, condominiums and other single-family homes available for rent, as well as new and existing condominiums and single-family homes for sale. Competitive residential housing in a particular area could adversely affect Residential's ability to lease its single-family rental assets and to increase or maintain rental rates. This may adversely affect Residential's financial condition and results of operations, thereby adversely affecting our revenues from incentive fees.

***Difficulties in selling single-family rental assets could limit Residential's flexibility.***

Federal tax laws may limit Residential's ability to earn a gain on the sale of a single-family rental asset or group of rental assets if Residential is found to have held or acquired the single-family rental asset or group of assets with the intent to resell, and this limitation may affect Residential's ability to sell single-family rental assets without adversely affecting returns to its shareholders. In addition, real estate can at times be difficult to sell quickly at prices Residential finds acceptable. These potential difficulties in selling real estate in Residential's markets may limit its ability to change or reduce the single-family rental assets in its portfolio promptly in response to changes in economic or other conditions. Any of the above-described occurrences may adversely affect Residential's financial condition and results of operations, thereby adversely affecting our revenues from incentive fees.

***A significant uninsured property or liability loss could have a material adverse effect on Residential's financial condition and results of operations.***

Residential will carry commercial general liability insurance and property insurance with respect to its single-family rental assets on terms it considers commercially reasonable. There are, however, certain types of losses (such as losses arising from acts of war) that are not insured, in full or in part, because they are either uninsurable or the

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cost of insurance makes it economically impractical. If an uninsured property loss or a property loss in excess of insured limits were to occur, Residential could lose its capital invested in a single-family rental asset or group of assets as well as the anticipated future revenues from such asset or group of assets. Residential would also continue to be obligated to repay any mortgage indebtedness or other obligations related to the asset or group of assets, if any. If an uninsured liability to a third party were to occur, Residential would incur the cost of defense and settlement with, or court ordered damages to, that third party. A significant uninsured property or liability loss could materially and adversely affect Residential's business and its financial condition and results of operations, thereby adversely affecting our revenues from incentive fees.

***A significant number of Residential's single-family rental assets will be part of home owners' associations ("HOAs"). Residential and its tenants will be subject to the rules and regulations of such HOAs which may be arbitrary or restrictive, and violations of such rules may subject Residential to additional fees and penalties and litigation with such HOAs which may be costly.***

A significant number of Residential's single-family rental assets will be subject to HOAs, which are private entities that regulate the activities of and levy assessments on properties in a residential subdivision. Some of the HOAs that will govern Residential's single-family assets may enact onerous or arbitrary rules that restrict Residential's ability to renovate, market or lease its single-family rental assets or require Residential to renovate or maintain such assets at standards or costs that are in excess of Residential's planned operating budgets. Such rules may include requirements for landscaping, limitations on signage promoting a property for lease or sale, or the use of specific construction materials to be used in renovations. Some HOAs also impose limits on the number of property owners who may rent their homes, which if met or exceeded, may cause Residential to incur additional costs to sell the affected single family rental asset and opportunity costs of lost rental income. Furthermore, many HOAs impose restrictions on the conduct of occupants of homes and the use of common areas, and Residential may have tenants who violate these HOA rules for which Residential may be liable as the property owner. Additionally, the boards of directors of the HOAs that will govern Residential's single-family rental assets may not make important disclosures or may block Residential's access to HOA records, initiate litigation, restrict Residential's ability to sell, impose assessments or arbitrarily change the HOA rules. Residential may be unaware of or unable to review or comply with certain HOA rules before acquiring a single-family rental asset, and any such excessively restrictive or arbitrary regulations may cause Residential to sell such asset, prevent Residential from renting such asset or otherwise reduce Residential's cash flow from such asset. Any of the above-described occurrences may adversely affect Residential's financial condition and results of operations, thereby adversely affecting our revenues from incentive fees.

***Residential may incur costs due to class actions and/or tenant rights and consumer demands or litigation.***

There are numerous tenants' rights and consumer rights organizations throughout the country. As Residential grows in scale, it may attract attention from some of these organizations and become a target of legal demands or litigation. Many such consumer organizations have become more active and better funded in connection with mortgage foreclosure-related issues and the increased market for single-family rentals arising from displaced home ownership. Some of these organizations may shift their litigation, lobbying, fundraising and grass roots organizing activities to focus on landlord-tenant issues. While Residential intends to conduct its business lawfully and in compliance with applicable landlord-tenant and consumer laws, such organizations might work in conjunction with trial and pro bono lawyers in one state or multiple states to attempt to bring claims against Residential on a class action basis for damages or injunctive relief. Residential cannot anticipate what form such legal actions might take, or what remedies they may seek. Additionally, these organizations may lobby local county and municipal attorneys or state attorneys general to pursue enforcement or litigation against Residential, or may lobby state and local legislatures to pass new laws and regulations to constrain Residential's business operations. If they are successful in any such endeavors, they could directly

limit and constrain Residential's business operations and impose on Residential significant litigation expenses, including settlements to avoid continued litigation or judgments for damages or injunctions. Any of the above-described occurrences may adversely affect Residential's financial condition and results of operations, thereby adversely affecting our revenues from incentive fees.

***Residential will likely be involved in a variety of litigation.***

Residential anticipates involvement in a wide range of court actions in the ordinary course of its business. These actions may include eviction proceedings and other landlord-tenant disputes, challenges to title and ownership rights (including actions brought by prior owners alleging wrongful foreclosure by their lender or servicer) and issues with local housing officials arising from the condition or maintenance of a single-family rental asset. While Residential intends to vigorously defend any claim, no assurance can be given that Residential will not be subject to material losses related to such litigation. Such losses may adversely affect Residential's financial condition and results of operations, thereby adversely affecting our revenues from incentive fees.

***Residential may incur costs due to environmental contamination or non-compliance.***

Under various federal, state and local environmental and public health laws, regulations and ordinances, Residential may be required, regardless of knowledge or responsibility, to investigate and remediate the effects of hazardous or toxic substances or petroleum product releases at its single-family rental assets (including in some cases natural substances such as methane and radon gas) and may be held liable under these laws or common law to a governmental entity or to third parties for property, personal injury or natural resources damages and for investigation and remediation costs incurred as a result of the contamination. These damages and costs may be substantial and may exceed any insurance coverage Residential has for such events. The presence of such substances, or the failure to properly remediate the contamination, may adversely affect Residential's ability to borrow against, sell or rent the affected single-family rental asset. In addition, some environmental laws create or allow a government agency to impose a lien on the contaminated site in favor of the government for damages and costs it incurs as a result of the contamination. Any of the above-described occurrences may adversely affect Residential's financial condition and results of operations, thereby adversely affecting our revenues from incentive fees.

***The interest rate environment impacts Residential's financial results.***

Residential intends to focus primarily on investing in, financing, managing and renting single-family rental assets. Some of these assets will generally decline in value if long-term interest rates increase, while lower interest rates will generally result in an increase in value. Declines in the value of Residential's single family rental assets and sub-performing and non-performing loans may ultimately reduce earnings or result in losses to Residential or cause some or all of its assets to become illiquid, thereby decreasing our revenues from incentive fees paid by Residential.

Residential's operating results will depend in part on the difference between the operating income from its assets, credit losses, and financing costs. Increases in these rates will tend to decrease Residential's net income and the value of its assets, thereby decreasing our revenues from incentive fees paid by Residential.

***Residential's financial condition and results of operations may be adversely affected by inflation or deflation.***

Increased inflation could have an adverse impact on interest rates, property management expenses and general and administrative expenses, as these costs could increase at a rate higher than Residential's rental and other revenue. Conversely, deflation could lead to downward pressure on rents and other sources of income. Accordingly, a change in inflation or deflation could adversely affect either or both of Residential's financial condition and results of operations, thereby adversely affecting our revenues from incentive fees.

***Residential's real properties will be subject to property and other taxes that may increase over time.***

Residential will be responsible for the property taxes for its single-family rental assets and REO Properties which may increase as tax rates change and as properties are reassessed by taxing authorities. If Residential fails to pay any such taxes, the applicable taxing authorities may place a lien on the property, and the property may be subject to a tax sale. Any such occurrence may adversely affect Residential's financial condition and results of operations, thereby adversely affecting our revenues from incentive fees.

## **RISKS RELATED TO THE SEPARATION**

***We have never operated on a stand-alone basis, and our transition to a stand-alone company may adversely affect our ability to conduct business.***

We will need to establish certain facilities, systems, infrastructure and personnel after the Separation. We will incur capital and other costs associated with developing and implementing our own support functions in these areas. Additionally, after the Separation, we may be unable to obtain goods, services and technologies at prices or on terms as favorable to us as those obtained by Altisource prior to the Separation. This transition may constrain or otherwise adversely affect our ability to conduct business.

***Our accounting and other management systems and resources may not be adequately prepared to meet the financial reporting and other requirements to which we will be subject following the Separation.***

As a result of the Separation, we will be directly subject to reporting and other obligations under the Exchange Act. The Exchange Act requires that we file annual, quarterly and current reports with respect to our business and financial condition. Under the Sarbanes-Oxley Act of 2002 (the "Sarbanes-Oxley Act"), we are required to maintain effective disclosure controls and procedures. To comply with these requirements, we may need to implement additional financial and management controls, reporting systems and procedures and hire additional accounting and finance staff. We expect to incur annual expenses for the purpose of addressing these requirements, and these expenses may be significant. If we are unable to implement additional controls, reporting systems, information technology systems and procedures in a timely and effective fashion, our ability to comply with our financial reporting requirements and other

rules that apply to reporting companies under the Exchange Act could be impaired. Any failure to achieve and maintain effective internal controls could have a material adverse effect on our financial condition, results of operations or cash flows.

In the future, we may also be required to comply with Section 404 of the Sarbanes-Oxley Act which will require annual management assessments of the effectiveness of our internal controls over financial reporting and a report by our independent registered public accounting firm addressing these assessments. These reporting and other obligations may place significant demands on our management, administrative and operational resources, including accounting systems and resources.

### **RISKS RELATED TO THE TAX CONSEQUENCES OF THE SEPARATION**

***Since the Distribution will be taxable, the IRS, the Luxembourg taxing authority and/or the United States Virgin Islands Bureau of Internal Revenue may disagree with our valuation of the common stock which could result in a higher tax cost to both Altisource and its shareholders.***

The Distribution will be taxable to Altisource shareholders based on the fair market value of the shares of our common stock that are received. In addition, for Altisource, the Separation will be a realization event, which could cause Altisource to have to recognize capital gains on our common stock, which would have to be included in its tax base and would be subject to 28.8% Luxembourg corporate income and municipal business tax. Because we are a development stage company, we do not expect the value of the shares of our common stock received by Altisource shareholders to be significantly higher than the book value of the Company. However, the IRS, the Luxembourg taxing authority and/or the United States Virgin Islands Bureau of Internal Revenue could disagree with our valuation of the shares of our common stock received by you which could result in a higher tax cost for both your receipt of the shares of common stock and for Altisource.

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### **RISKS RELATED TO OUR COMMON STOCK**

***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 our common stock to be listed on the [ ] and expect trading in our common stock to commence on a “when-issued” basis on or about [ ], 2012.

Neither we nor Altisource can assure you as to the trading prices of our common stock after the Separation. Unless and until our common stock is fully distributed and an orderly market develops, the prices at which our common stock trades may fluctuate significantly. In addition, the combined trading prices of Altisource 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 Altisource 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;
- lack of liquidity;
- changes in the financial condition or stock price of Residential;
- changes in the market outlook for the real estate and lending industries;
- technology changes in our business and
- departure of our key personnel.

The market prices of securities of asset management service 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 small size and different investment characteristics, including our headquarters based in the United States Virgin Islands, may not appeal to the current investor base of Altisource that 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.

***An active trading market for our common stock may never develop.***

We intend to apply to have our common stock listed on the [ ]. However, an active trading market for our common stock may not develop, and if an active trading market does develop, it may not be sustained. Accordingly, your ability to sell our common stock when desired, or the prices that may be obtained for such common stock, will depend on the existence and liquidity of an active trading market of our common stock.

***Our common stock may be subject to significant restriction on resale due to federal penny stock restrictions.***

The SEC has adopted rules that regulate broker or dealer practices in connection with transactions in penny stocks. Penny stocks generally are equity securities with a price of less than \$5.00 (other than securities registered on certain national securities exchanges or quoted on the NASDAQ system, provided that current price and volume information with respect to transactions in such securities is provided by the exchange system). The penny stock rules require a broker or dealer, prior to a transaction in a penny stock not otherwise exempt from the rules, to deliver a standardized risk disclosure document prepared by the SEC that provides information about penny stocks and the nature and level of risks in the penny stock market. The broker or dealer also must provide the customer with bid and offer quotations for the penny stock, the compensation of the broker or dealer, and its salesperson in the transaction, and monthly account statements showing the market value of each penny stock held in the customer’s account. The penny stock rules also require that prior to a transaction in a penny stock not otherwise exempt from such rules, the broker or dealer must make a special written determination that a penny stock is a suitable investment for the purchaser and receive the purchaser’s written agreement to the transaction. These disclosure requirements

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may have the effect of reducing the level of trading activity in any secondary market for our common stock that becomes subject to the penny stock rules, and accordingly, shareholders of our common stock may find it difficult or impossible to sell their securities.

***The continuing unpredictability of the credit markets may restrict our liquidity and may make it difficult or impossible for us to obtain additional financing.***

The domestic and international credit markets continue to experience significant unpredictability. Currently, the primary source of our capital will be the cash on hand subsequent to our Separation from Altisource. In the future, we may need to utilize various secondary sources of liquidity by accessing the capital markets to issue debt or equity securities or engaging in collateralized or other borrowings from third party banks.

If we issue debt or obtain bank loans, the financing will likely be governed by certain provisions that may restrict our operating flexibility. Additionally, an issuance of equity securities or convertible or exchangeable securities may have rights, preferences and privileges more favorable than those of our common stock. Furthermore, we and, indirectly, our shareholders, will bear the cost of issuing and servicing such securities. Because our decision to issue securities through accessing the capital markets or entering into credit agreements will depend on market conditions and other factors beyond our control, we cannot predict or estimate our future capital structure. Our shareholders bear the risk of changes to our future capital structure which may not be cost effective and may have a dilutive impact on our shareholders.

***The value we attribute to the Altisource and AAMC common stock for the purpose of determining the revised exercise price of the Altisource stock options and the exercise price of the new AAMC stock options might not be equivalent to the market price of the Altisource and AAMC common stock following the Separation.***

In connection with the Separation, all holders of Altisource stock options will receive: (1) a new AAMC stock option to acquire the number of shares of AAMC common stock equal to the product of (a) the number of Altisource stock options held on the Separation Date and (b) the distribution ratio of 1 share of AAMC common stock for every 10 shares of Altisource common stock; and (2) an adjusted Altisource option, replacing the original Altisource option, for the same number of shares of Altisource common stock with a reduced exercise price per stock option. We will determine the exercise price of the new stock option and the adjusted Altisource option in a manner so that the intrinsic value of the stock option to its holder will be the same as of the Separation Date. However, fluctuations in the market price of the Altisource and AAMC 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 and binomial options pricing models.

#### **RISKS RELATED TO CONFLICTS OF INTEREST**

***We could have conflicts with Altisource, Ocwen, Home Loan Servicing Solutions, Ltd. (“HLSS”) and Residential, and the Chairman of our Board of Directors could have conflicts of interest due to his relationship with Altisource, Ocwen, HLSS and Residential, which may be resolved in a manner adverse to us.***

Conflicts may arise between Altisource and us as a result of our ongoing agreements, the agreements we have negotiated on behalf of Residential with Altisource and the nature of each of our respective businesses. Altisource will provide Residential with residential property management, leasing and construction management services for single-family rental assets acquired by Residential. In addition, we will become a party to a variety of agreements with Altisource in connection with the Separation, and we may enter into further agreements with Altisource after the Separation. Certain of our directors may be subject to conflicts of interest with respect to such agreements and other matters due to their relationships with Altisource.

Conflicts may arise between Ocwen and us as a result of our ongoing agreements and the nature of our respective businesses. Ocwen will perform substantially all of the mortgage loan servicing functions relating to

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Residential’s acquisition and ownership of mortgage loans. Certain of our directors may be subject to conflicts of interest with respect to such agreements and other matters due to their concurrent roles as directors of Ocwen.

The Chairman of our Board of Directors is the Chairman of the Board of Directors of Altisource, Ocwen, HLSS, and Residential. As a result, he will have obligations to us as well as to Altisource, Ocwen, HLSS and Residential and may have conflicts of interest with respect to matters potentially or actually involving or affecting us and Altisource, Ocwen, HLSS or Residential, as the case may be.

Our Chairman currently owns a substantial amount of Altisource, Ocwen and HLSS common stock and Altisource and Ocwen stock options, and, subsequent to the Separation, will own a substantial amount of our common stock and Residential’s common stock. In addition, certain of our directors also may own Altisource and/or Ocwen common stock and stock options due to similar relationships with Altisource and Ocwen. Such ownership could create or appear to create potential conflicts of interest when the Chairman of our Board of Directors and our directors are faced with decisions that involve us, Altisource, Ocwen, HLSS, Residential or any of their respective subsidiaries.

Altisource, Ocwen, and HLSS are not limited in their ability to compete with us. We will seek to manage these potential conflicts through dispute resolution and other provisions of our agreements with them and through oversight by independent members of our Board of Directors. However, there can be no assurance that such measures will be effective, that we will be able to resolve all conflicts with Altisource, Ocwen, and HLSS or that the resolution of any such conflicts will be no less favorable to us than if we were dealing with third parties.

***Our directors have the right to engage or invest in the same or similar businesses as ours.***

Certain of our directors have other investments and business activities in addition to their interest in AAMC. Under the provisions of our Articles of Incorporation, our directors have no duty to abstain from exercising the right to engage or invest in the same or similar businesses as ours or employ or otherwise engage any of our directors. If any of our directors who are also directors, officers or employees of Altisource, Ocwen, Residential, HLSS or any other company acquires knowledge of a corporate opportunity or is offered a corporate opportunity outside of his capacity as one of our directors, then our by-laws provide that such a director will be permitted to pursue that corporate opportunity independently of us, so long as the director has acted in good faith.

Our by-laws provide that, to the fullest extent permitted by law, such a director will be deemed to have satisfied his fiduciary duties to us and will not be liable to us for pursuing such a corporate opportunity independently of us. This may create actual or potential conflicts of interest between us and certain of our directors and result in less than favorable treatment of us and our shareholders. As of this date, none of our directors is directly involved as a director, officer or employee of a business that competes with us, but there can be no assurance that will remain unchanged in the future.

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## 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. Any forward-looking statements contained in this information statement are based upon our historical performance and on current plan estimates and expectations. The inclusion of this forward-looking information should not be regarded as a representation by us or any other person that the future plans, estimates or expectations contemplated by us will be enacted.

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,” “The Separation,” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and the following:

- Residential’s profitability and our ability to retain Residential as a customer;
- value of strategic relationships;
- general economic and market conditions;
- governmental regulations, taxes and policies;
- risks inherent in spin-offs, including those related to the capital resources required to protect against business risks, legal risks and risks associated with the tax and accounting treatment of spin-off transactions;
- risks associated with operating as an independent, stand-alone public company and loss of certain benefits associated with being owned as part of a larger company;
- availability of adequate and timely sources of capital needed to finance our business;
- risks associated with our business and of Residential’s business;
- delayed, partial-realization or non-realization of the expected benefits of the Spin-Off;
- absence of a trading market for our common stock;
- the competitive nature of the asset management industry;
- our loss of key management and personnel and
- risks associated with various conflicts of interest.

Further information on the risks specific to our business are detailed within this information statement. Forward-looking statements speak only as of the date they are made and should not be relied upon. We undertake no obligation to update or revise forward-looking statements.

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## THE SEPARATION

### Introduction

On April 26, 2012, Altisource announced its intention to spin-off AAMC, a development stage company specializing in providing asset management and corporate governance services into a stand-alone public company for the reasons discussed below. After considering many factors, management and the Board of Directors of Altisource concluded that the most effective way to maximize the success and operational efficiencies of both companies was to spin off AAMC as a separate public company.

Subsequent to final approval by the Altisource Board of Directors and regulatory approval, Altisource will distribute its ownership interest in AAMC to its existing shareholders as of the Record Date. Altisource’s shareholders will receive 1 share of AAMC common stock for every 10 shares of Altisource common stock they hold on the Record Date, as described below. We expect the Distribution to be effected on or about [ ], 2012 to holders of outstanding Altisource common stock as of 5:00 p.m. Eastern Time on [ ], 2012, the Record Date. Altisource shareholders will not be required to pay any cash or other consideration or to surrender or exchange their shares of Altisource common stock to receive shares of AAMC common stock.

Concurrent with the Separation of AAMC, Altisource is also pursuing a separation of Residential pursuant to a similar spin-off transaction. Residential intends to acquire and own single-family rental assets. Residential intends to elect and qualify to be treated as a REIT for U.S. federal income tax purposes. Residential will enter into the Residential Asset Management Agreement pursuant to which AAMC will provide the Services in exchange for incentive fees and the reimbursement of certain overhead and operating expenses.

Additionally, we intend to invest in the voting common stock of NewSource. In conjunction with our investment in NewSource, we will provide our Services to NewSource pursuant to the NewSource Asset Management Agreement. Residential intends to simultaneously invest in the non-voting preferred stock of NewSource. Residential and AAMC will be the only owners of NewSource. NewSource will retain Altisource under a long-term Title Insurance Services Agreement to provide a wide range of technical underwriting services that will allow NewSource to evaluate title risk in a timely and cost effective manner. Altisource will receive a performance fee of 90% of NewSource’s annual net income after NewSource pays Residential a 12% preferred dividend (the “Performance Fee”).

### Business Reasons for the Separation

The Company will specialize in providing asset management and corporate governance services to its clients and will be focused on developing scalable investment strategies and vehicles for its clients by leveraging the expertise of its management team. By contrast, Altisource does not engage in the business of asset management and corporate governance services. Altisource is a provider of services focused on high value, technology-enabled, knowledge-based functions principally related to real estate and mortgage portfolio management, asset recovery and customer relationship management.

Altisource's Board of Directors determined that separating our business from Altisource is in the best interests of Altisource shareholders. In arriving at its decision, the Board of Directors considered, among other factors, the different business models and that the Separation will allow Altisource and AAMC to focus on their core businesses and be better positioned to respond to initiatives and market challenges.

### **The Number of AAMC's Shares of Common Stock Shareholders of Altisource Will Receive**

The Separation will be made on the basis of 1 share of AAMC common stock for every 10 shares of Altisource common stock. As such, for every 10 shares of Altisource common stock that you own as of 5:00 p.m. Eastern Time on [ ], 2012, the Record Date, you will receive 1 share of our common stock on the Separation Date. Based on the number of Altisource shares outstanding on the Record Date and the Separation Ratio, approximately [ ] shares of AAMC common stock will be distributed to Altisource shareholders. As a result of the Separation, 100% of the outstanding AAMC common stock will be distributed to Altisource shareholders on a pro rata basis.

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### **When and How You Will Receive AAMC Common Stock**

Altisource will use a book entry system to distribute shares of AAMC common stock. No physical stock certificates will be issued for AAMC common stock. Following the Separation, each record holder of Altisource common stock on the Record Date will receive from the transfer agent a statement of the amount of shares of AAMC common stock credited to his or her account. If you were not a record holder of Altisource common stock on the Record Date because your shares are held on your behalf by your broker or other nominee, your shares of AAMC common stock should be credited to your broker or other nominee on or about [ ], 2012.

No action is required by you in order to receive AAMC shares in the Separation, and you do not have to surrender or exchange your shares of Altisource common stock or pay cash or any other consideration to receive your shares of AAMC common stock. The number of shares of Altisource common stock that you currently own will not change as a result of the Separation.

We anticipate that on [ ], 2012, Altisource 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 Altisource common stock entitled to the Distribution. For those holders of Altisource 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 shareholders, 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 AAMC common stock in connection with the delivery of AAMC shares pursuant to the Separation. Instead, we intend for the transfer agent to aggregate all fractional shares and sell them on behalf of those shareholders who otherwise would be entitled to receive a fractional share. These sales will occur as soon as practicable after the Separation Date. Those shareholders will then receive a cash payment 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.

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 the 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 Altisource, AAMC 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 will be generally taxable to the recipient shareholders. See "The Separation—Certain U.S. Federal Income Tax Consequences of the Separation."

### **Listing and Trading of the Shares of AAMC Common Stock**

The following information may be helpful in discussions with your broker or other nominee. AAMC intends to apply to have its common stock listed on the [ ]. 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, Altisource common stock or AAMC common stock. Altisource and AAMC do not make recommendations on the retention, sale or purchase of, or other transactions involving shares of Altisource common stock or shares of AAMC 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 Altisource common stock, your shares of AAMC common stock or both.

"When-issued" trading of the shares of AAMC common stock is expected to begin on [ ], 2012. 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 AAMC common stock will

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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 [ ], 2012, Altisource's common stock will begin to trade in two markets on the NASDAQ Global Select Market: a "regular way" market and an "ex-distribution" market. Between the Record Date and consummation of the Separation, shares of Altisource common stock that are sold on the regular way

market will include an entitlement to receive shares of AAMC common stock distributable in the Separation. Conversely, shares sold in the ex-distribution market will not include an entitlement to receive shares of AAMC common stock distributable in the Separation, as the entitlement will remain with the original shareholder. Therefore, if you own shares of Altisource 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 AAMC common stock that would have been distributed to you with respect to the shares of Altisource common stock you sell. If you own shares of Altisource 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 AAMC common stock in the Separation. On the first trading day following the Separation Date, all shares of Altisource common stock will trade without any entitlement to receive shares of AAMC common stock.

Shares of AAMC common stock distributed to Altisource 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 AAMC affiliates if they control, are controlled by, or are under common control with, AAMC; such persons may include certain of our directors, officers and significant shareholders. In addition, individuals who are affiliates of Altisource on the Separation Date may be deemed to be affiliates of AAMC. Persons who are affiliates of AAMC will be permitted to sell their shares of AAMC 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 AAMC common stock in the Separation may, after a holding period of six months, sell, within any three-month period, a number of shares that does not exceed the greater of:

- one percent (1%) of the then-outstanding shares of common stock and
- the average weekly trading volume of the shares of AAMC common stock during the four calendar weeks preceding the date on which the notice of the sale is filed with 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 us.

There can be no assurance as to whether the shares of our common stock will be actively traded or as to the prices at which the shares of our 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 our 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, Altisource common stock will continue to be listed and traded on the NASDAQ Global Select Market under the symbol “ASPS.” As a result of the Separation, the trading price of Altisource common stock immediately following the Separation may be lower than the trading price of Altisource common stock immediately prior to the Separation. Further, the combined trading prices of Altisource common stock, Residential and our common stock after the Separation may be less than the trading prices of Altisource common stock immediately prior to the Separation.

Although Altisource is currently a publicly-traded company, there can be no assurance as to the prices at which the Altisource common stock will trade following the Separation. The nature of the trading market and prices for Altisource common stock after the Separation will be influenced by many factors. Altisource shareholders and potential investors may consider, among other things that Altisource has contributed cash to AAMC and Residential and distributed all of the ownership in these newly created entities to its shareholders. AAMC and Residential will pursue business opportunities separately from Altisource following the Separation. As a result, these factors and

others may delay or hinder the return to an orderly trading market in the Altisource common stock following the Separation. For a detailed discussion of these and other risks, please refer to “Risk Factors.”

### **Treatment of Outstanding Altisource Stock Options**

Altisource stock options currently outstanding under Altisource’s 2009 Equity Incentive Plan and other equity incentive plans will be adjusted. The exercise price will be reduced to reflect the value of the shares of AAMC common stock distributed to Altisource shareholders, and holders of outstanding Altisource options will be granted an option, to purchase shares of AAMC common stock reflecting the shares of Altisource common stock subject to the Altisource options.

### **Interests of certain Altisource Officers and Directors in the Separation**

To the extent that Altisource officers and directors hold shares of Altisource common stock, they will receive shares of AAMC common stock in the Separation on the same terms as other Altisource shareholders.

William C. Erbey is the Chairman of each of the Board of Directors of Altisource, AAMC and Residential. He currently owns [ ]% of Altisource and will own [ ]% of each company immediately following the Separation. See “Risk Factors,” “Relationship Between Altisource and Us Following the Separation” and “Certain Relationships and Related Transactions.”

**THE FOLLOWING SUMMARY OF TAX CONSIDERATIONS 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.**

**ALTISOURCE SHAREHOLDERS SHOULD CONSULT THEIR OWN TAX ADVISORS CONCERNING THE U.S. FEDERAL, STATE, LOCAL, TERRITORIAL AND FOREIGN TAX CONSEQUENCES OF THE SEPARATION TO THEM IN LIGHT OF THEIR PARTICULAR CIRCUMSTANCES.**

### **Certain U.S. Federal Income Tax Consequences of the Separation**

The following is a summary of the material U.S. federal income tax consequences of the Separation. This summary is based on the U.S. Treasury Regulations, the Code, regulations promulgated under the Code and judicial and administrative interpretations of the U.S. Treasury Regulations and the Code. This summary is based on the rules, regulations and interpretations in effect on the date of this summary and is subject to change (possibly on a retroactive basis).

This summary does not address tax consequences for any shareholder other than a U.S. shareholder. A U.S. shareholder, for U.S. federal income tax purposes, is defined as a beneficial owner of Altisource common stock that is one of the following:

- an individual who is a citizen or a resident of the U.S.;
- a corporation, or other entity taxable as a corporation for U.S. federal income tax purposes, created or organized under the laws of the U.S. or any state thereof or the District of Columbia;
- an estate, the income of which is subject to U.S. federal income taxation regardless of its source or
- a trust, if (i) a court within the U.S. is able to exercise primary jurisdiction over its administration and one or more U.S. persons have the authority to control all of its substantial decisions, or (ii) it has a valid election in effect under applicable U.S. Treasury Regulations to be treated as a U.S. person.

Further, this summary does not discuss all of the tax considerations that may be relevant to U.S. shareholders in light of their particular circumstances and does not address the tax consequences applicable to certain persons subject to special provisions of the U.S. federal income tax law including:

- insurance companies;

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- 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 REITs;
- qualified retirement plans;
- partnerships, other entities classified as partnerships, or other pass-through entities for U.S. federal income tax purposes and investors in these entities;
- shareholders who hold shares as part of a hedging, integrated, conversion or constructive sale transaction or a straddle;
- shareholders who hold their shares as a synthetic security, integrated investment or other risk-reduction transaction;
- shareholders who are subject to the alternative minimum tax;
- shareholders 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
- shareholders whose functional currency is other than the U.S. dollar.

In addition, this summary is limited to shareholders that hold their shares of Altisource 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, territorial or foreign tax consequences.

The Distribution is a taxable distribution for U.S. federal income tax purposes. Shareholders who receive shares of AAMC common stock with respect to their shares of Altisource common stock will be treated as receiving a taxable distribution equal to the fair market value of the shares of AAMC common stock received. This amount will be treated as a dividend to the extent of Altisource's current and accumulated earnings and profits, calculated pursuant to U.S. federal tax law. To the extent this amount is in excess of the recipient's ratable portion of Altisource's current and accumulated earnings and profits, it will be treated as a return of capital (to the extent of the recipient's tax basis in such Altisource shares) and then as a capital gain.

### **State, Local and Other Tax Considerations**

We and our shareholders may be subject to state, local or foreign taxation in various jurisdictions, including those in which we or they transact business, own property or reside. The state, local or foreign tax treatment of us and our shareholders may not conform to the U.S. federal income tax treatment discussed above. Any foreign taxes incurred by us would not pass through to shareholders as a credit against their U.S. federal income tax liability. Prospective shareholders should consult their tax advisors regarding the application and effect of state, local and foreign income and other tax laws on an investment in our common stock.

### **Certain U.S. Federal Withholding Tax Consequences of the Separation**

The Distribution of the common stock of AAMC by Altisource to its shareholders will be made in a manner such that no U.S. federal withholding tax will be due.

### **Certain Luxembourg Tax Consequences of the Separation**

The following is a summary of the material Luxembourg income tax consequences of the Separation. This summary is based on the laws of the Grand-Duchy of Luxembourg, including the Income Tax Act of December 4, 1967, as amended, and the Municipal Business Tax Act of December 1, 1936, as amended, to which we jointly refer as the "Luxembourg tax law," existing and proposed regulations promulgated thereunder, and published judicial decisions and administrative pronouncements, each as in effect on the date of this information statement or with a known future effective date.

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This discussion does not generally address any aspects of Luxembourg taxation other than income tax, corporate income tax, municipal business tax and withholding tax. This discussion is not a complete analysis or listing of all of the possible tax consequences of the Distribution and does not address all tax considerations that may be relevant to you. Special rules that are not discussed in the general descriptions below may also apply to you.

For purposes of this discussion, a "Luxembourg shareholder" is any beneficial owner of Altisource shares that for Luxembourg income tax purposes is:

- an individual resident of Luxembourg under article 2 of the Luxembourg Income Tax Act, as amended, or
- a corporation or other entity taxable as a corporation that is organized under the laws of Luxembourg under article 159 of the Luxembourg Income Tax Act, as amended.

A “non-Luxembourg shareholder” is any beneficial owner of Altisource common stock that is not a Luxembourg shareholder. For purposes of this summary, “holder” means either a Luxembourg shareholder or a non-Luxembourg shareholder or both, as the context may require.

A non-Luxembourg shareholder will not be subject to Luxembourg income taxes on the Distribution received from Altisource unless the shares of common stock are attributable to a permanent establishment or a fixed place of business maintained in Luxembourg by such non-Luxembourg shareholder.

A Luxembourg shareholder, who is a resident individual, will be subject to Luxembourg income taxes on dividend income and similar distributions in respect of shares in Altisource. Luxembourg income tax will be levied on 50% of the gross amount of the Distribution, under certain conditions, at progressive rates.

A Luxembourg shareholder that is a resident corporation may benefit from the Luxembourg participation exemption with respect to the receipt of the Distribution if certain conditions are met. If the conditions with respect to the Luxembourg participation exemption are not met, the aforementioned 50% tax exemption may also apply to the receipt of the Distribution by a Luxembourg resident corporation.

The Distribution of the common stock of AAMC by Altisource to its shareholders will be made in a manner that no Luxembourg withholding tax will be due.

As Altisource is a Luxembourg société anonyme, Altisource will be subject to tax by the Luxembourg taxing authority to the extent the value of the AAMC common stock exceeds the book value of AAMC. The excess will be included in Altisource’s tax base and would be subject to 28.8% Luxembourg corporate income and municipal business tax. Because AAMC is a development stage company, it is not expected that the value of the shares of AAMC common stock received by Altisource shareholders will be significantly higher than their book value. Therefore, any Luxembourg income tax liability arising at the level of Altisource as a result of the Separation is not expected to be material.

This summary is based on the laws and regulations in effect in the Grand-Duchy of Luxembourg on the date hereof, all of which are subject to change, possibly with retroactive effect.

#### **Taxation of AAMC Under the United States Virgin Islands and U.S. Tax Laws Subsequent to the Separation**

The following is a summary of the tax laws of the United States Virgin Islands as they apply to AAMC (which is a corporation taxable under United States Virgin Islands laws) and shareholders of AAMC. The following is intended as an overview of the principal United States Virgin Islands tax consequences of the holding and the disposal of AAMC common stock and should be treated with appropriate caution. This summary does not purport to be a complete analysis of all material tax considerations that may be relevant to a shareholder or prospective shareholder of AAMC common stock. This summary also does not take into account the specific circumstances of particular shareholders (and in particular shareholders who may reside in the United States Virgin Islands) and is not intended as a substitute for professional tax advice that takes into account the particular circumstances relevant to a specific shareholder.

This summary is based on the laws and regulations in effect in the United States Virgin Islands on the date hereof, all of which are subject to change, possibly with retroactive effect.

#### ***Corporate Income Tax***

The U.S. Internal Revenue Code of 1986 applies in the United States Virgin Islands as the United States Virgin Islands tax code through use of a substitution scheme known as the “mirror” system. Pursuant to the mirror system, the words “United States Virgin Islands” are substituted for the words “United States” wherever they appear in the Code. Income taxes imposed under this system are payable to the United States Virgin Islands Bureau of Internal Revenue rather than to the IRS. Under the Code as applicable in the United States Virgin Islands, AAMC will be taxable in the United States Virgin Islands on its worldwide income. As stated previously, we received approval of our application for EDC Benefits from the Governor of the United States Virgin Islands on August 10, 2012. As a result, our eligible income will be subject to income tax at an effective rate of 3.85%, and we will be exempt from (i) the United States Virgin Islands gross receipts tax which would otherwise be imposed at the rate of 5%, (ii) taxes on AAMC’s real property and (iii) certain territorial excise taxes.

#### ***United States Virgin Islands Income Tax on Dividends and Similar Distributions***

Non-United States Virgin Islands Resident individual U.S. shareholders will not be subject to United States Virgin Islands withholding or income tax on dividends and/or similar distributions. Non-Resident United States Virgin Islands corporate U.S. shareholders will not be subject to United States Virgin Islands withholding pursuant to Treasury Regulation § 1.881-5(g) or income tax on dividends and/or similar distributions. United States Virgin Islands residents should consult their tax advisors on the tax treatment of ownership of our shares.

#### ***United States Virgin Islands Capital Gains Tax Upon Disposal of Shares***

Non-United States Virgin Islands Resident individuals and corporations that are U.S. shareholders generally will not be subject to United States Virgin Islands capital gains tax upon disposal of the shares of AAMC common stock. United States Virgin Islands residents should consult their tax advisors on the tax treatment of ownership of our shares.

#### ***Stamp Duties in Relation to the Transfer of Shares***

Although the United States Virgin Islands does impose a stamp tax on certain transfers, the stamp tax is not applied on the transfer of the shares of AAMC common stock.

## **United States Virgin Islands Withholding Tax on Distributions**

U.S. shareholders will not be subject to United States Virgin Islands withholding tax on distributions from AAMC. Corporate U.S. shareholders are exempt from withholding pursuant to Treasury Regulation § 1.881-5(g)(2) as applicable in the United States Virgin Islands. U.S. shareholders who are U.S. citizens (or green card holders) are also not subject to United States Virgin Islands withholding tax because they are not foreign persons for purposes of the Code, as applicable in the United States Virgin Islands. Finally, all other U.S. shareholders will not be subject to United States Virgin Islands withholding tax so long as the shareholders' beneficial owners are U.S. citizens.

## **Certain Ongoing U.S. Federal Income Tax Matters Subsequent to the Separation**

In general, U.S. federal income tax applies to a United States Virgin Islands 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. may tax the business profits earned by a United States Virgin Islands corporation if those are attributable to business activities conducted in the U.S.

There are no definitive standards provided by the Code for Treasury Regulations or court decisions as to those activities that constitute business activities conducted in the U.S. As the determination is essentially factual in nature, the IRS may contend successfully that AAMC conducts business in the U.S. Any such business activities

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will be subject to the federal income taxation. Taxes paid to the U.S. should be creditable against AAMC's United States Virgin Islands income tax liability.

## **Regulatory Approval**

Apart from the registration under U.S. federal securities laws of the AAMC common stock that will be issued in the Separation, we do not believe that any other material governmental or regulatory filings or approvals will be necessary to consummate the Separation.

## **No Appraisal Rights**

Under Luxembourg Law, Altisource shareholders will not have appraisal rights in connection with the Separation.

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## **RELATIONSHIP BETWEEN ALTISOURCE AND US FOLLOWING THE SEPARATION**

For purposes of governing certain of the ongoing relationships between Altisource 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 Altisource 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, 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 72.

## **Separation Agreement**

On the Separation Date, we will enter into a Separation Agreement with Altisource, which will provide for, among other things, the principal corporate transactions required to effect the Separation and certain other agreements related to the continuing relationship between Altisource and us after the Separation.

We are a development stage company recently created by Altisource. The Separation Agreement with Altisource identifies assets and liabilities that will be transferred to us in connection with the Separation, provided that certain conditions precedent to the transfer are met, such as the effectiveness of our registration statement on Form 10 and the receipt of necessary governmental approvals. The assets that will be transferred to us are comprised primarily of cash, property and equipment. There are no other significant liabilities that will be transferred to us at Separation.

Under the Separation Agreement, and effective as of the Separation Date, we will assume, and will agree to indemnify Altisource against, all liabilities, litigation and claims, including related insurance costs, arising out of our business, and Altisource will retain, and will agree to indemnify us against, all liabilities, litigation and claims, including related insurance costs arising out of Altisource'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 will also provide that both parties will be granted access to certain records and information in the possession of the other and will require the retention by each of Altisource and us, for a period of six years following the Separation Date, of all such information in its possession.

## **Support Services Agreement**

On the Separation Date, we will enter into a Support Services Agreement with Altisource. Under the Support Services Agreement, Altisource may provide services to us in such areas as human resources, vendor management operations, corporate services, risk management and six sigma, quality assurance, consumer psychology, treasury, finance and accounting, legal, tax, compliance and other support services where we may need assistance and support following the Separation (collectively, the "Support Services"). The Support Services Agreement will provide generally that Altisource will undertake to provide the Support Services in a manner generally consistent with the manner and level of care with which such service, if any, was performed or provided prior to the Separation. The Support Services Agreement will extend for two years after the Separation but may be terminated earlier under certain circumstances including a default. "Fully-allocated cost" means, with respect to the provision of a "Service", the all-in cost of providing such Service, including direct charges and allocable amounts reflecting compensation and benefits, technology expenses, occupancy and equipment expense and third-party payments (but not taxes incurred in connection therewith). Altisource will be required to submit statements of account on a monthly basis with respect to all

amounts payable by us, setting out the Support Services provided and the amount billed as a result of providing such Support Services. We believe that the terms and conditions of the Support Services Agreement are no less favorable to us than those available from unrelated parties for a comparable arrangement.

The total fees incurred by us under this agreement will be dependent upon our business activity and the level of services required in connection therewith. While market conditions will drive our business activity, we do not anticipate incurring fees under this agreement in excess of \$200,000 in the first year of our operations.

### Tax Matters Agreement

On the Separation Date, we will enter into a Tax Matters Agreement with Altisource which sets out each party's rights and obligations with respect to deficiencies and refunds, if any, of Luxembourg, U.S. federal, state, local or other 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, and Altisource will be responsible for taxes attributable to our business incurred prior to the Separation.

### Trademark License Agreement

On the Separation Date, we will enter into a Trademark License Agreement with Altisource. Under this agreement, Altisource will grant us a non-exclusive, non-transferable, non-sublicensable, royalty free license to use the name "Altisource." The agreement may be terminated by either party upon 30 days written notice, with or without cause. In the event that this agreement is terminated, all rights and licenses granted thereunder, including, but not limited to, the right to use "Altisource" in our name will terminate.

### Technology Products and Services Agreement

On the Separation Date, we will enter into a Technology Products and Services Agreement with Altisource, pursuant to which Altisource will provide us with certain technology products services in accordance with the performance standards identified in the agreement or respective statement of work.

On the Separation Date, we will enter into a Technology Products and Services Agreement with Altisource. Under this agreement, Altisource will provide us with the use of certain technology systems and services. The Technology Products and Services Agreement will provide generally that Altisource will undertake to provide the technology systems and services in a manner generally consistent with the manner and level of care with which such technology systems and services, if any, were performed or provided prior to the Separation. The Technology Products and Services Agreement will extend for 15 years after the Separation but may be terminated earlier under certain circumstances including a default. We expect that all services provided pursuant to the Technology Products and Services Agreement will be based on the fully-allocated cost of providing the service. We believe that the terms and conditions of the Technology Products and Services Agreement are no less favorable to us than those available from unrelated parties for a comparable arrangement.

The total fees incurred by us under this agreement will be dependent upon our business activity and the level of services required in connection therewith. While market conditions will drive our business activity, we do not anticipate incurring fees under this agreement in excess of \$50,000 in the first year of our operations.

## DIVIDEND POLICY

We have no current plans to pay dividends. All decisions regarding the declaration and payment of dividends will be at the discretion of our Board of Directors 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.

## CAPITALIZATION

The following table describes our cash and cash equivalents and capitalization as of June 30, 2012, on an actual, pro forma and as-adjusted basis to give effect to the Separation, the Residential Asset Management Agreement and our contemplated investment in the voting common stock of NewSource. The information presented below should be read in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations," "Business" and our "Financial Statements" and the related notes included elsewhere in this information statement.

	As of June 30, 2012			
	Actual	Pro Forma Impact Of The Separation(1)	Pro Forma Impact Of The Residential Asset Management Agreement(2)	Pro Forma As Adjusted(3)
Cash	\$ 500,000	\$	\$	\$
Shareholder's equity				
Common stock (\$0.01 par value)	1,000			
Additional paid-in capital	499,000			
Total shareholder's equity	500,000			

- (1) Prior to the Separation, Altisource intends to contribute an additional \$4.5 million in cash to AAMC to provide what Altisource management believes to be sufficient operating capital for AAMC to operate separately for at least 12 months and for a contemplated investment in the voting common stock of NewSource described in more detail in footnote (3) below.

Based on the number of Altisource shares outstanding on June 30, 2012, approximately 2,331,900 shares of AAMC common stock will be issued to shareholders of Altisource on the Separation Date. The actual number of shares of AAMC common stock to be issued will be determined as of the Record Date.

- (2) Upon the effectiveness of the Residential Asset Management Agreement at the Separation Date, we believe we will be required to consolidate the financial results of Residential. We evaluated the terms of the Residential Asset Management Agreement under the requirements of FASB ASC 810, *Consolidation*, and conclude that Residential is a variable interest entity and we will be required to consolidate as we are the primary beneficiary.
- (3) Prior to the Separation, Altisource will contribute the limited partner interests in the Altisource Residential, L.P. to Residential, formed July 19, 2012. On October 1, 2012, Altisource Residential GP Member, LLC assigned the ownership of Altisource Residential GP, LLC, the general partner of Altisource Residential, L.P., to Residential. Altisource Residential GP, LLC has assets of \$1, no liabilities and no operations. As of June 30, 2012, Altisource Residential, L.P. was capitalized with a \$500,000 cash contribution. The financial statements of Altisource Residential L.P. are included elsewhere in this information statement. Residential's financial position at the Separation Date will also include an additional cash contribution of \$99.5 million to provide what Altisource management believes to be sufficient capital for Residential to begin to execute on their strategy and operate separately.

Immediately following the Separation, we intend to invest in the voting common stock of NewSource. Residential intends to simultaneously invest in the non-voting preferred stock of NewSource. Residential and AAMC will be the only owners of NewSource. NewSource will retain Altisource under a long-term Title Insurance Services Agreement to provide a wide range of technical underwriting services that will allow NewSource to evaluate title risk in a timely and cost effective manner. As we will be the holder of the voting

common stock of NewSource upon effectiveness of the Shareholders' Agreement, we may be required to consolidate the financial results of NewSource.

## 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," and the financial statements and the related notes thereto. 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.

Significant components of the Management's Discussion and Analysis of Financial Condition and Results of Operations include:

	<u>Page</u>
<i>Executive Summary</i> — This section provides a summary of AAMC and the principal factors affecting anticipated operations. In addition, we provide a brief description of our Separation from Altisource and the basis of presentation of our financial information.	40
<i>Results of Operations and Known Trends or Future Events</i> — This section provides an overview of our activities since inception and planned future events.	41
<i>Liquidity and Capital Resources</i> — The liquidity and capital resources section provides a discussion of our cash flows for the period from March 15, 2012 (date of inception) to June 30, 2012 and our expected ability to meet near-term cash requirements.	41
<i>Critical Accounting Policies and Estimates</i> — The critical accounting policies and estimates section provides details 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.	41
<i>Recent Pronouncements</i> — The recent pronouncements section provides a discussion of the impact or potential impact of recently issued accounting pronouncements on our financial statements where applicable.	43
<i>Other Matters</i> — The other matters section provides a discussion of related party transactions and provisions of the various Separation related agreements with Altisource.	43

## EXECUTIVE SUMMARY

### Separation from Altisource

On April 26, 2012, Altisource announced its intention to spin-off a development stage company specializing in providing asset management and corporate governance services into a stand-alone public company. On the Separation Date, Altisource will distribute all of the shares of AAMC common stock to Altisource's shareholders. Altisource's shareholders will receive 1 share of AAMC common stock for every 10 shares of Altisource common stock they hold on the Record Date. Upon the Separation, AAMC will no longer be a part of Altisource.

In connection with the Separation, AAMC and Altisource will enter into the Separation Agreement and certain other agreements to govern the terms of the Separation and certain ongoing relationships between Altisource and us subsequent to the Separation. These agreements include a Support Services Agreement, a Tax Matters Agreement, a Trademark License Agreement and a Technology Products and Services Agreement. These related party agreements are more fully described below. Also see "Relationship Between Altisource and Us Following the Separation."

## **General Description of Our Business**

AAMC is a development stage company with no operating history. Since its inception on March 15, 2012, AAMC has generated no revenue.

We are a development stage company. We will provide our Services to Residential, a development stage Maryland corporation recently formed to acquire and own single-family rental assets, and eventually to others. In addition, we intend to invest in the voting common stock of NewSource. In conjunction with our investment in NewSource, we will also provide our Services to NewSource. We expect to commence providing the Services immediately following the Separation Date.

Ours is a capital light strategy with profits generally available for share repurchases and dividends. Initially, Residential will be our primary source of revenue and will drive our potential future growth. The Residential Asset Management Agreement will entitle us to incentive fees that will give us an increasing share of Residential's cash flow as distributions to its shareholders increase as well as reimbursement for certain overhead and operating expenses. Additionally, the NewSource Asset Management Agreement will entitle us to a management fee.

AAMC is headquartered in Frederiksted, St. Croix, in the United States Virgin Islands. The United States Virgin Islands has an economic development program that provides EDC Benefits for certain qualified businesses located in Frederiksted. We applied for EDC Benefits from the EDC and received final approval of our application from the Governor of the United States Virgin Islands on August 10, 2012. As a result of our approval, our eligible income will be subject to income tax at an effective rate of 3.85%, and we will be exempt from (i) the United States Virgin Islands gross receipts tax which would otherwise be imposed at the rate of 5%, (ii) taxes on AAMC's real property and (iii) certain territorial excise taxes.

For additional information regarding AAMC's business, please refer to the discussion under the "Business" section of this information statement.

## **Basis of Presentation**

The financial statements included in this information statement reflect a cash contribution of \$500,000 as of June 30, 2012. We cannot predict what our results of operations, financial condition and cash flows will be once we commence operations and operate as a stand-alone public company.

The assets assigned to us pursuant to the Separation Agreement are accounted for at the historical book values of such assets.

## **RESULTS OF OPERATIONS AND KNOWN TRENDS OR FUTURE EVENTS**

We have not engaged in any operations or generated any revenues to date. We will not generate any management or incentive fee revenue from Residential or NewSource until after completion of the Separation when Residential and NewSource begin generating income. We expect to generate non-operating income in the form of interest income on cash and cash equivalents after this Separation. After the Separation, in addition to our operating expenses, we expect to incur expenses as a result of being a public company (for legal, financial reporting, accounting and auditing compliance). Unless we commence our revenue-generating business operations in the near term, we anticipate we will generate a net loss in the current fiscal year.

## **LIQUIDITY AND CAPITAL RESOURCES**

As of June 30, 2012, we were capitalized with a \$500,000 cash contribution by Altisource which is reflected in the cash provided by financing activities in the accompanying statement of cash flows. Immediately prior to the Separation, Altisource intends to make an additional cash contribution of approximately \$4.5 million to us. This contribution provides the necessary funding for our \$2 million contemplated investment in the voting common stock of NewSource. Residential intends to invest in the non-voting preferred stock of NewSource. AAMC and Residential will be the only owners of NewSource.

Management believes that our ability to generate cash flow from the management fee from NewSource and incentive fees and the reimbursement of certain overhead and operating expenses from Residential, coupled with cash on hand, is adequate to meet anticipated near-term cash requirements which principally include the capital investment in NewSource, operational expenditures not reimbursed by Residential, working capital and capital spending.

As a separate company, we intend to employ a disciplined cash policy that seeks to maintain adequate amounts of cash and cash equivalents. However, if our estimates of costs are less than the actual amount of such costs and cash on hand becomes insufficient to operate our business, we may need to obtain additional equity financing, debt financing or both in order to meet our obligations.

## **CRITICAL ACCOUNTING POLICIES AND ESTIMATES**

Accounting standards require information in financial statements about the risks and uncertainties inherent in significant estimates, and the application of generally accepted accounting principles involves the exercise of varying degrees of judgment. Certain amounts included in or affecting our financial statements and related disclosures must be estimated, requiring us to make certain assumptions with respect to values or conditions that cannot be known with certainty at the time our financial statements are prepared. These estimates and assumptions affect the amounts we report for our assets and liabilities, our revenues and expenses during the reporting period and our disclosure of contingent assets and liabilities at the date of our financial statements. We will routinely evaluate these estimates utilizing historical experience, consultation with experts and other methods we consider reasonable in the particular circumstances. Nevertheless, actual results may differ significantly from our estimates and any effects on our business, financial position or results of operations resulting from revisions to these estimates are recorded in the period in which the facts that give rise to the revision become known.

In preparing our financial statements and related disclosures in accordance with GAAP, examples of certain areas that require more judgment relative to others will be our use of estimates in evaluating the provision for income taxes, revenue recognition matters and accounting for contingencies.

We believe that the assumptions, judgments and estimates involved in the accounting policies described below have the greatest potential impact on our financial statements in the future. These areas are key components of our future results of operations and are based on complex rules that require us to make assumptions, judgments and estimates, so we consider these to be our critical accounting policies.

### ***Emerging Growth Company Status***

We are an “emerging growth company” under the federal securities laws and will be subject to reduced public company reporting requirements. In addition, Section 107 of the JOBS Act also provides that an “emerging growth company” can avail ourselves of the extended transition period provided in Section 7(a)(2)(B) of the Securities Act for complying with new or revised accounting standards. In other words, an “emerging growth company” can delay the adoption of certain accounting standards until those standards would otherwise apply to private companies. We are choosing to “opt out” of such extended transition period, and as a result, we will comply with new or revised accounting standards on the relevant dates on which adoption of such standards is required for all public companies which are not emerging growth companies. Section 107 of the JOBS Act provides that our decision to opt out of the extended transition period for complying with new or revised accounting standards is irrevocable.

### ***Revenue recognition***

We will recognize revenue from the services we provide in accordance with Financial Accounting Standards Board (“FASB”) Accounting Standard Codification (“ASC”) 605. According to ASC 605, 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.

### ***Management Fees***

Management fees will be recognized in the periods during which the related services are performed and the amounts have been contractually earned.

### ***Expense Reimbursements***

We will be entitled to certain overhead and operating expense reimbursements pursuant to the Residential Asset Management Agreement. Expense reimbursements will be recognized in the periods during which the related expenses are incurred and the reimbursements are contractually earned.

### ***Incentive Income***

Incentive income will be calculated as a percentage of the cash flows available to be distributed by Residential pursuant to the Residential Asset Management Agreement. Incentive income will not be subject to contingent repayment and will be recognized as contractually earned.

### ***Income Taxes***

We will account for certain income and expense items differently for financial reporting purposes and income tax purposes. We will recognize deferred income tax assets and liabilities for these differences between the financial reporting basis and the tax basis of our assets and liabilities. We will 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. The effect on deferred tax assets and liabilities of a change in tax rates will be recognized in income in the period in which the change is enacted. Deferred tax assets will be reduced by a valuation allowance when it is more likely than not that some portion or all of the deferred tax asset will not be realized. We will account for uncertain tax positions in accordance with ASC 740, *Income Taxes*. AAMC is headquartered in Frederiksted, St. Croix, in the United States Virgin Islands. The United States Virgin Islands has an economic development program that provides EDC Benefits for certain qualified businesses located in Frederiksted. We applied for EDC Benefits from the EDC and received final approval of our application from the Governor of the United States Virgin Islands on August 10, 2012. As a result of our approval, our eligible income will be subject to income tax at an effective rate of 3.85%, and we will be exempt from (i) the United States Virgin Islands gross receipts tax which would otherwise be imposed at the rate of 5%, (ii) taxes on AAMC’s real property and (iii) certain territorial excise taxes.

### ***Commitments, contingencies and indemnifications***

Loss contingencies, including claims and legal actions arising in the ordinary course of business, will be recorded as liabilities when the likelihood of loss is probable and an amount or range of loss can be reasonably estimated. We are not aware of any litigation or other contingencies that would have an adverse impact on our financial statements.

We will enter into contracts with Altisource in connection with the Separation that contain a variety of indemnifications. We currently expect the risk of loss related to these indemnifications to be remote.

### ***RECENT ACCOUNTING PRONOUNCEMENTS***

We do not anticipate that any recently issued accounting pronouncements will have a significant impact on our financial statements upon adoption.

### ***OTHER MATTERS***

## Off-balance sheet arrangements

We do not have any material off-balance sheet arrangements.

## Contractual obligations

Our long-term contractual obligations will primarily include (i) the Residential Asset Management Agreement (ii) the NewSource Asset Management Agreement, (iii) our [ ] month sublease agreement with Ocwen Mortgage Servicing, Inc. (“OMS”) for office space for our headquarters in the United States Virgin Islands (the “Sublease”), (iv) our Support Services Agreement with Altisource and (v) our Trademark License Agreement with Altisource. As of June 30, 2012, we had not entered into any of these arrangements.

### *Asset Management Agreements with Residential and NewSource*

We will enter into separate asset management agreements with Residential and NewSource (collectively, the “Asset Management Agreements”). Pursuant to the terms of the Asset Management Agreements, we will provide Residential and NewSource with our Services, including providing Residential and NewSource with a management team and appropriate support personnel.

The Asset Management Agreements will each have an initial term of 15 years, and will be automatically renewed for a one-year term on each anniversary date thereafter unless terminated in accordance with their terms. During the term of the Residential Asset Management Agreement and subject to the terms thereof, we will not provide any other person or entity that invests in non-performing loans or REO Properties the same or substantially similar services without Residential’s prior written consent.

Residential and NewSource will not have any employees. NewSource will be obligated to pay us an annual management fee of \$840,000 (subject to CPI increases) for the Services. The Residential Asset Management Agreement will provide us with the incentive fees and expense reimbursement described below.

### *Incentive fee*

As compensation for the Services, Residential will pay us a quarterly incentive fee as follows: (i) 2% of all cash dividends paid by Residential to its shareholders until the aggregate amount of such cash dividends paid during the quarter divided by the average number of shares of Residential common stock outstanding during the quarter (the “Quarterly Per Share Distribution Amount”) exceeds \$0.161, then (ii) 15% of all additional cash dividends paid by Residential to its shareholders until the Quarterly Per Share Distribution Amount exceeds \$0.193, then (iii) 25% of all additional cash dividends paid by Residential to its shareholders until the Quarterly Per Share Distribution Amount exceeds \$0.257, and thereafter (iv) 50% of all additional cash dividends paid by Residential to its shareholders (in each case as such amounts may be appropriately adjusted from time to time to take into account the

effect of any stock split, reverse stock split or stock dividend). The foregoing thresholds will be reduced to the extent that Residential pays dividends of cash from capital transactions and in the event that Residential pays dividends of cash from capital transactions so that a hypothetical holder of one share of Residential’s Class B common stock acquired on the Separation Date has received with respect to such share of Class B common stock, since the Separation Date, distributions of cash that are deemed to be cash from capital transactions in an aggregate amount equal to \$12.74 (the approximate book value of single share of Residential’s Class B common stock as of the Separation Date), then all of the foregoing thresholds will be reduced to zero and Residential will pay us a quarterly incentive fee equal to 50% of all additional cash dividends paid by Residential to its shareholders. For the purpose of this calculation, any Class A common stock dividend priority will be disregarded.

In the event that Residential pays its shareholders dividends of cash from capital transactions, we will not receive an incentive fee with respect to such capital transactions dividends until a hypothetical holder of one share of Residential’s Class B Common stock acquired on the Separation Date has received with respect to such share of Class B common stock, since the Separation Date, distributions of cash that are deemed to be cash from capital transactions in an aggregate amount equal to \$12.74. For the purpose of this calculation, any Class A common stock dividend priority will be disregarded. Thereafter, we will be entitled to an incentive fee with respect to any dividends of cash from capital transactions in accordance with the calculation in the preceding paragraph.

### *Expense reimbursement*

Residential will be required to reimburse us on a monthly basis for the reasonable operating and overhead expenses we incur related to the Services.

### *Termination*

Residential may not terminate the Residential Asset Management Agreement without cause during the first 24 months of its term. Following such 24-month period, Residential may terminate the Residential Asset Management Agreement without cause upon the determination of at least two-thirds of Residential’s independent directors that (i) there has been unsatisfactory performance by us that is materially detrimental to Residential, or (ii) the compensation payable to us under the Residential Asset Management Agreement is unreasonable, unless we agree to compensation that at least two-thirds of Residential’s independent directors determine is reasonable.

We may terminate the Residential Asset Management Agreement without cause by providing written notice to Residential no later than 180 days prior to the anniversary date of the Residential Asset Management Agreement of any year during the initial term or a renewal term, and the Residential Asset Management Agreement will terminate effective on the anniversary date of the Residential Asset Management Agreement next following the delivery of such notice.

Residential will be required to pay us a termination fee in the event that the Residential Asset Management Agreement is terminated as a result of (i) a termination by Residential without cause, (ii) a termination by us as a result of Residential becoming regulated as an “investment company” under the Investment Company Act, or (iii) a termination by us if Residential defaults in the performance of any material term of the Residential Asset Management Agreement (subject to a notice and cure period).

The termination fee will be equal to three times the average annual incentive fee earned by us during the prior 24-month period immediately preceding the date of termination, calculated as of the end of the most recently completed fiscal quarter prior to the date of termination. In the event the Residential Asset Management Agreement is terminated without cause by Residential or for cause by us, the Altisource Master Services Agreement may be terminated and the Ocwen Servicing Agreement, the Support Services Agreement, Trademark License Agreement and the Tax Matters Agreement will terminate simultaneously with the Residential Asset Management Agreement.

### **Office Space Sublease**

We intend to enter into the Sublease with OMS for certain office space for our corporate offices in Frederiksted, St. Croix in the United States Virgin Islands. The Sublease requires that we pay \$3,333.33 per month for the first [ ] months of the Sublease and \$3,750 per month for the remaining three years of the initial term of the Sublease plus one-half of all operating and build-out expenses. The Sublease is coterminous with OMS' master lease which

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will expire as of June 30, 2017, with one five year extension option. The Sublease contains a matching five year extension option.

### **Agreements with Altisource**

Provided below is a brief description of the arrangements we expect to enter into with Altisource. These arrangements may involve, or may appear to involve, conflicts of interest. See the detailed discussion in the "Risk Factors" and "Certain Relationships and Related Party Transactions" sections of this document.

#### *Support Services Agreement*

See "Relationship Between Altisource and Us Following the Separation—Support Services Agreement."

#### *Tax Matters Agreement*

See "Relationship Between Altisource and Us Following the Separation—Tax Matters Agreement."

#### *Trademark License Agreement*

See "Relationship Between Altisource and Us Following the Separation—Trademark License Agreement."

#### *Technology Products and Services Agreement*

See "Relationship Between Altisource and Us Following the Separation—Technology Products and Services Agreement."

For additional information see "Relationship Between Altisource and Us Following the Separation."

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## **BUSINESS**

### **Overview**

We are organized as a United States Virgin Islands corporation and were recently formed by Altisource to provide the Services to Residential under the Residential Asset Management Agreement. Residential was recently formed to acquire and own single-family rental assets. In addition, we intend to make an investment in NewSource.

Ours is a capital light strategy with profits available for share repurchases and dividends. Initially, Residential will be our primary source of revenue and will drive our potential future growth. The Residential Asset Management Agreement will entitle us to incentive fees that will give us an increasing share of Residential's cash flow as distributions to its shareholders increase as well as reimbursement for certain overhead and operating expenses. Accordingly, our operating results will be highly dependent on our ability to help Residential achieve positive operating results.

### **AAMC's Business Strategy**

Our business strategy is to:

- assist Residential in generating a growing stream of dividends to Residential's shareholders, thereby growing our earnings;
- assist Residential in generating a steady, stable cash flow stream from NewSource's title insurance and reinsurance business and
- develop other scalable investment strategies and vehicles by leveraging the expertise of our management team.

### **Residential's Business Strategy**

Residential's business strategy is to provide a growing stream of dividends to its shareholders by:

- Acquiring single-family rental assets at an attractive cost relative to the market for REO through the purchase of non-performing loan portfolios. Residential's goal will be to capture what it views as the positive arbitrage in today's market between the price of non-performing loans, adjusted for carrying costs, and the value of the underlying real estate assets when sold as REO and
- Managing single-family rental assets nationwide at a lower cost than that of its competitors.

To help Residential achieve this strategy, we have leveraged our strategic relationships with Altisource and Ocwen. These relationships will provide Residential with what we believe are two significant competitive advantages.

First, we have arranged for the Ocwen Servicing Agreement, which we expect will enable Residential to obtain single-family rental assets at a discount to the typical REO acquisition price by acquiring sub-performing and non-performing loans. This arbitrage exists because there are extended timelines, complexities and uncertainties in managing non-performing and sub-performing loans resulting from the loan modification, foreclosure and REO sale processes. We believe that Ocwen's extensive mortgage servicing experience will enable Residential to shorten non-performing loan resolution timelines by effectively and efficiently (1) converting a portion of the non-performing loan portfolio to performing status and (2) managing the foreclosure process and timelines with respect to the remainder of the portfolio. We also believe that Ocwen's mortgage servicing expertise will provide Residential with access to a large and low cost supply of single-family rental assets.

Based on the industry experience of our management team, we believe non-performing loans often sell at a discount to the market value of the underlying property securing the loan. We expect that a portion of the non-performing loans will be returned to performing status primarily through loan modifications. After the loans are modified, and following a short seasoning period, we expect the borrowers to refinance these loans near the estimated value of the underlying property — generating very attractive returns for Residential.

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We expect that, despite efforts to modify or return the mortgage loans to a performing status, a portion of these mortgage loans will enter into foreclosure, ultimately becoming REO that can be converted into single-family rental assets. Even after considering the foreclosure expenses and the time value of money, Residential should be able to acquire REO through the mortgage loan default process at a discount to the typical REO acquisition price. Additionally, as Residential intends to retain the majority of the underlying real estate assets, it will avoid some of the typical REO costs (such as real estate brokerage commissions).

Second, we have arranged for the Altisource Master Services Agreement. Altisource has developed a unique, low cost and centralized vendor management model that enables it to perform these services at substantially lower costs than its competitors. We believe that Altisource's strong real property management experience and centralized vendor management model will allow Residential to operate single-family rental assets at a lower cost than its competitors. Residential's goal is to minimize its property management expenses for a single-family rental asset so that those expenses will be similar to that for an apartment unit managed by a multi-family REIT. Further, because of Altisource's distributed vendor model, Residential can acquire assets without regard to their location and density. This allows Residential to competitively bid on large sub-performing or non-performing mortgage portfolios with assets dispersed throughout the United States. Altisource has extensive property management operational experience, managing and maintaining over 90,000 REO Properties for others over the last three years, which represents approximately \$9 billion of estimated value in such properties.

While the Ocwen Servicing Agreement and Altisource Master Services Agreements are not exclusive arrangements, we believe that these relationships will provide Residential with significant competitive advantages with respect to acquiring and maintaining single-family rental assets, which represent a \$3 trillion growth market. We expect to acquire single-family rental assets with the intention to hold these assets over the long-term with a focus on developing brand and franchise value. We also believe that the forecasted growth for the single-family rental marketplace, in combination with Residential's projected asset management and acquisition costs and its ability to acquire assets without regard to their location or density provide us with a significant opportunity to establish Residential as a leading, externally-managed residential REIT.

### **AAMC's Competitive Strengths**

To enable Residential to execute on its business strategy, we will leverage the following competitive strengths:

- *Experienced Management Team.* We have a cohesive management team with extensive industry experience in real estate, non-performing loan portfolios and mortgage loan servicing. The management team also has strong relationships in the mortgage industry to help source single-family residential rental assets and mortgage loans. Our team possesses years of experience in negotiating complex real estate and loan portfolio acquisition and disposition transactions and a history of success overseeing service providers on behalf of institutional and other sophisticated investors;
- *Strategic Relationships.* We have strategic relationships with Ocwen and Altisource which we expect will provide us with significant competitive advantages with respect to the servicing of non-performing and sub-performing loans and the management of REO properties;
- *Proprietary Valuation Models and Data.* We have significant experience developing and applying complex proprietary valuation models that leverage an extensive historical database. Our knowledge and understanding of diverse real estate related investment assets and their complexities and inter-relationships allows us to develop appropriate strategies to assist Residential in maximizing returns and
- *Tax Efficient Structure.* AAMC is headquartered in Frederiksted, St. Croix, in the United States Virgin Islands. The United States Virgin Islands has an economic development program that provides significant tax benefits, including, but not limited to the EDC Benefits for certain qualified businesses located in Frederiksted. We applied for the EDC Benefits from the EDC and received final approval of our application from the Governor of the United States Virgin Islands on August 10, 2012. As a result of our approval, our eligible income will be subject to income tax

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at an effective rate of 3.85%, and we will be exempt from (i) the United States Virgin Islands gross receipts tax which would otherwise be imposed at the rate of 5%, (ii) taxes on AAMC's real property and (iii) certain territorial excise taxes.

### **Dividend Policy**

We have no current plans to pay dividends. All decisions regarding the declaration and payment of dividends will be at the discretion of our Board of Directors 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.

## Key Investment Strategies for Residential

**Single-Family Rental Assets.** Studies estimate the single-family residential rental market in the U.S. is a \$3 trillion industry, accounting for approximately 52% of all residential rental units. With the continued displacement of homeowners related to foreclosures and other adverse economic circumstances, we believe the demand for single-family homes for rent will significantly increase. In addition, studies estimate that over four million distressed loans and REO Properties will be converted to rental homes by 2015. Despite the size of the single-family residential rental market, in our experience, the industry is generally fragmented, localized and decentralized. We believe, on the other hand, that there are significant opportunities to consolidate the market by leveraging purchasing, technology and centralized operations and management.

Our primary sourcing strategy for Residential to obtain single-family rental assets includes acquiring sub-performing and non-performing loans as well as REO Properties.

We have developed certain acquisition strategies for sub-performing and non-performing loans and structured the necessary supplier relationships to execute them. One such strategy is to acquire sub-performing and non-performing residential mortgage loans and use an aggressive loan modification strategy, which we expect will result in re-performing loans that will be primarily refinanced by the borrowers as well as loans that will ultimately become REO Properties incorporated into Residential's portfolio of single-family rental assets through the foreclosure process. This strategy requires the expertise to value mortgage loans, REO Properties and residential mortgage backed securities, as well as an understanding of statistically significant collateral characteristics that are key drivers behind residential loan modifications.

To execute this strategy, we have facilitated the Ocwen Servicing Agreement to provide for the servicing of the mortgage loans Residential acquires and the maximization of the value of those mortgage loans through Ocwen's loan modification, assisted deed-in-lieu, assisted deed-for-lease and other loss mitigation programs. As a subprime and Alt-A mortgage loan servicer, Ocwen has a significant amount of experience with special servicing. Ocwen's collection strategies seek to identify payment problems at the early stage of delinquency and, if necessary, to address the delinquency in order to preserve the equity in a pre-foreclosure mortgage property. Based on its in-depth experience as a leading mortgage servicer, Ocwen has developed a number of strategies to improve the collection process, including, a proactive consulting approach, defined call strategies, a variety of loan modification strategies and enhanced payment methods.

Ocwen is licensed to service mortgage loans in all 50 states, the District of Columbia and two U.S. territories. Ocwen is a leading provider of residential and commercial mortgage loan servicing, special servicing and asset management services. As of June 30, 2012, Ocwen serviced 810,894 residential loans with an aggregate unpaid principal balance of \$127.8 billion. Ocwen and its predecessors have been servicing mortgage loans since 1988. Ocwen has been a leader in developing and implementing mortgage servicing industry best practices and utilizes advanced modeling of loan and consumer-specific resolution alternatives to reduce losses.

As the mortgage loans are modified and refinanced or become REO Properties, we expect that the value of these residential assets will increase. For re-performing mortgage loans, we expect Residential to monetize those loans as the borrowers refinance these loans near the estimated value of the underlying property. This should result in attractive returns to Residential, given that we believe the same mortgage loans will often sell, in our management's experience, for as low as 55% of the estimated value of the underlying property securing the loan.

For those loans which remain non-performing, Residential has a low cost of capital and can effectively and efficiently transition the loans through the default process. As a result, we believe that Residential can acquire mortgage loans that become REO Properties at a lower cost than the cost to directly acquire REO Properties.

We also have a strategy for Residential to make targeted investments in the single-family residential market. With our Services, Residential will acquire REO Properties, renovate them, lease them and earn rental income. Based on the industry experience of our management team, we believe that the entry point for investment in single-family residential real estate is at a generational low, offering the potential for attractive returns.

To address the operational challenges of managing single family residential real estate on a nationwide basis, we have facilitated the Altisource Master Services Agreement, whereby Altisource will provide Residential with property management, leasing and construction management services. Altisource is one of the few nationwide single-family REO management and property inspection and preservation companies. Altisource has existing nationwide single-family asset management, property inspection and preservation, real estate brokerage and settlement services operations, primarily performed from centralized lower cost locations. We believe that Altisource's strong real property management experience and centralized vendor management model will allow Residential to operate single-family rental assets at a lower cost than its competitors. Residential's goal is to minimize its property management expenses for a single-family rental asset so that those expenses will be similar to that for an apartment unit managed by a multi-family REIT.

While investing in REO Properties and residential mortgage loans offers a variety of opportunities, it is also a socially responsible initiative. The long-term hold strategy of investors like Residential will assist in stabilizing the housing market by reducing for-sale inventory levels. It will also provide affordable access to housing for families that cannot otherwise buy a home and create jobs to refurbish and maintain housing. Our loan modification strategy keeps more homeowners in their homes and avoids the economically inefficient costs of foreclosure.

**Title Insurance and Reinsurance.** The acquisition of REO Properties and mortgage loans requires a detailed analysis of the chain of title and typically involves the purchase of title insurance to ensure clear and marketable title to each property. We intend to invest in the voting common stock of NewSource for \$2 million. In conjunction with our investment in NewSource, we will provide our Services to NewSource pursuant to the NewSource Asset Management Agreement. Residential intends to simultaneously invest in the non-voting preferred stock of NewSource for \$18 million. Residential and AAMC will be the only owners of NewSource, and we do not anticipate that NewSource will require any additional equity capital beyond the initial capitalization. NewSource will retain Altisource under a long-term Title Insurance Services Agreement to provide a wide range of technical underwriting services that will allow NewSource to evaluate title risk in a timely and cost effective manner. Altisource will receive the Performance Fee after NewSource pays the 12% preferred dividend to Residential. Additionally, NewSource intends to enter into a Management Agreement with Marsh IAS Management Services (Bermuda) Ltd., which will allow it to avoid the cost of having any permanent employees in Bermuda or otherwise. AAMC will be eligible to receive the management fee under the NewSource Asset Management Agreement and all retained earnings of NewSource.

We believe NewSource will provide stable earnings to us by insuring and reinsuring title insurance on Residential's mortgage loans and single-family rental assets as well as the mortgage loans and real estate sourced by Altisource through its relationships with Ocwen and Lenders One, a national alliance of

leading community mortgage bankers, correspondent lenders and suppliers of mortgage products and services. By directly writing policies for Residential and Altisource, we expect that NewSource will retain 100% of the premium for the title insurance or reinsurance it provides. This materially reduces NewSource's exposure from title insurance claim-related losses since it retains a significant portion of the revenue normally paid as commissions to unaffiliated title agents to absorb any such claims.

## Customers

Initially, Residential will be our only client. In the future, we intend to provide our Services to NewSource and to a variety of companies who invest in other asset classes and who are generally not Residential's competitors.

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## Competition

The asset management business is an intensely competitive business. Competition is driven by a number of factors, including asset performance, the quality of service provided to clients, brand recognition and business reputation. For additional information, please refer to the discussion in this section, "Risk Factors—Risks Related to Our Business in General" and "Risk Factors—Risks Related to the Acquisition and Ownership of Real Estate and Real Estate Related Assets."

## Government Approval

Outside of routine business filings, we do not believe that it is necessary to obtain any government approval in order to operate its business.

## Governmental Regulations

We do not believe that there are any governmental regulations that will affect the conduct of our business.

## Emerging Growth Company Status

We are an "emerging growth company," as defined in the JOBS Act, and we are eligible to avail ourselves of certain exemptions from various reporting requirements of public companies that are not "emerging growth companies," including, but not limited to, an exemption from complying with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act of 2002 and reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements. We have not made a decision whether to avail ourselves of certain of these exemptions.

In addition, the JOBS Act provides that an "emerging growth company" can utilize an extended transition period for complying with new or revised accounting standards, allowing it to delay the adoption of certain accounting standards until those standards would otherwise apply to private companies. However, we are choosing to "opt out" of such extended transition period, and as a result, we will comply with new or revised accounting standards on the relevant dates on which adoption of such standards is required for all public companies which are not emerging growth companies. Section 107 of the JOBS Act provides that our decision to opt out of the extended transition period for complying with new or revised accounting standards is irrevocable.

We could remain an "emerging growth company" for up to five years, or until the earliest of (i) the last day of the first fiscal year in which our annual gross revenues exceed \$1 billion, (ii) the date that we become a "large accelerated filer" as defined in Rule 12b-2 under the Securities Exchange Act of 1934, which would occur if the market value of our common stock that is held by non-affiliates exceeds \$700 million as of the last business day of our most recently completed second fiscal quarter, or (iii) the date on which we have issued more than \$1 billion in non-convertible debt during the preceding three year period.

## Employees

As of June 30, 2012, we had no employees. The employees of AAMC will commence their employment on or around the Separation Date. 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 are located in Frederiksted, St. Croix, United States Virgin Islands, in a facility leased by OMS and subleased to us. The following table sets forth information relating to our primary facilities at [ ], 2012:

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Location	Owned / Leased	Square Footage
<b>Executive office and headquarters:</b>		
402 Strand St., Frederiksted, United States Virgin Islands 00840-3531	Leased	2,150

We believe our properties are suitable and adequate with sufficient capacity to meet our current needs.

## Legal Proceedings

We are not subject to any pending legal proceedings.

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## MANAGEMENT

### Directors and Executive Officers

Set forth below is information concerning those persons that will serve as executive officers and directors of AAMC:

Name	Age	Position(s) with the Company
William C. Erbey	63	Chairman of the Board of Directors
Ashish Pandey	37	Chief Executive Officer and Director
Rachel M. Ridley	34	Chief Financial Officer
David P. Durm	42	General Counsel and Secretary
Paul T. Bossidy	52	Director
Cindy Gertz	57	Director
Dale Kurland	68	Director
Salah Saabneh	44	Director
Robert C. Schweitzer	66	Director

**William C. Erbey.** Mr. Erbey is the Chairman of the Board of Directors. He has served as the Chairman of the Board of Directors of Ocwen since September 1996, Chairman of the Board of Altisource since July 2009 and Chairman of the Board of HLSS since December 2010. Additionally, he served as Chief Executive Officer of Ocwen from January 1988 to October 2010 and 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 including 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.

Mr. Erbey's experience in the financial services and mortgage services industries provides the Board of Directors with a perspective and insight into strategic and operational opportunities as well as economic and industry trends of relevance to the competitive positioning of the Company. In addition, his experience as the Chairman of the boards of directors of Ocwen, HLSS and Altisource demonstrates his leadership capability and business acumen.

**Ashish Pandey.** Mr. Pandey was appointed to the Board of Directors of AAMC in [ ] 2012. Mr. Pandey will serve as the Chief Executive Officer of AAMC. He will be responsible for the overall strategic direction of the company. Mr. Pandey currently serves as the Chief Executive Officer of Correspondent One, an affiliate of Altisource, and he will resign from that position on the Separation Date. He previously served as Executive Vice President of Ocwen from July 2008 to August 2011 and was responsible for the oversight of asset management vehicles and capital deployment for mortgage servicing portfolio acquisitions for Ocwen. He served as Treasurer and Director of Corporate Strategy from February 2005 to July 2008 for Ocwen. From May 2002 to October 2003, Mr. Pandey served as an Associate Consultant with Tata Strategic Management Group. He holds a Bachelor's of Science in Engineering from the S.G.S. Institute of Technology and Science and a Masters of Business Administration from the Indian Institute of Management.

Mr. Pandey's experience in the mortgage industry, particularly with respect to the acquisition and management of mortgage-backed assets, provides the Board of Directors with subject matter expertise. In addition, through his various roles within Ocwen and his position as Chief Executive Officer of Correspondent One, Mr.

Pandey has acquired an knowledge of our business and is well-positioned to offer the Board of Directors insight into Company-specific issues.

**Rachel M. Ridley.** Ms. Ridley will serve as the Chief Financial Officer of AAMC. Prior to joining AAMC, she served as Senior Manager in Assurance Services, Asset Management for PricewaterhouseCoopers LLC since 2008 and various positions within PwC from 2000 to 2008. Ms. Ridley is a Certified Public Accountant (Maryland). She holds a Bachelor of Business Administration from Emory University and a Master in Professional Accounting from the University of Texas at Austin.

**David P. Durm.** Mr. Durm will serve as the General Counsel and Secretary of AAMC. He has served as a Vice President for Altisource since March 2012. Prior to joining Altisource, he served for nearly six years as a Vice President — Legal and Assistant Secretary of Duke Realty Corporation. Prior to that, Mr. Durm was an attorney with the law firm of Faegre Baker Daniels LLP from May 1998 to June 2006. He holds a Bachelor of Science in Business Marketing from the Indiana University Kelley School of Business and a Juris Doctorate from the Indiana University Mauer School of Law.

**Paul T. Bossidy.** Mr. Bossidy was appointed to the Board of Directors of AAMC in [ ] 2012. Mr. Bossidy has served as President and Chief Executive Officer of Clayton Holdings LLC ("Clayton") since October 2008 and is responsible for the overall strategic direction and operating results of the business. Clayton is a privately-held provider of risk management services to the mortgage industry. Mr. Bossidy also serves on the Board of Directors of Infinia Corporation, a solar energy technology company and the developer of a proprietary solar power generation product that converts solar energy into electricity. Prior to joining Clayton, Mr. Bossidy was a Senior Operations Executive and Operations Partner at Cerberus Capital Management LP from 2006 to 2008. Prior to that, Mr. Bossidy served in various executive appointments for General Electric Company from 1993 to 2006, including General Manager of Corporate Business Development, President of the Refrigerator Product Line within GE Appliances Division, President and Chief Executive Officer of GE Lighting (North America), President and Chief Executive Officer of GE Vendor Financial Services, President and Chief Executive Officer of GE Commercial Equipment Financing and President and Chief Executive Officer of GE Capital Solutions Group. He is a Certified Public Accountant and a Certified Six Sigma Black Belt. Mr. Bossidy holds a Bachelor of Arts from Williams College in Williamstown, Massachusetts, a Master in Accounting from New York University in New York, New York and a Master of Business Administration with concentrations in Finance and Marketing from Columbia University Graduate School of Business in New York, New York.

Mr. Bossidy's experience providing risk management services to the mortgage industry, along with his prior management and board of directors experience, provides the Board of Directors with strategic and industry-specific expertise. In addition, his knowledge and background in accounting allow him to provide guidance to the Board of Directors in overseeing financial and accounting aspects of our operations.

**Cindy Gertz.** Ms. Gertz was appointed to the Board of Directors of AAMC in [ ] 2012. Ms. Gertz has served as a consultant since 2011 for clients involved with the development of housing policy regulations, as well as for large lenders impacted by proposed regulations and potential changes to the housing finance system. Previously, Ms. Gertz served as Director of Operations, Homeownership Preservation Office from 2009 to 2011 for the Department of the Treasury, Office of Financial Stability. From 2000 to 2002, Ms. Gertz served as Chief Financial Officer and Treasurer of Public Broadcasting Service (PBS) in Alexandria, Virginia. Ms. Gertz served in various executive appointments for Freddie Mac in McLean, Virginia from 1984 to 1999, including Vice President, Shareholder Relations, Vice President, Division Controller and Vice President, Corporate Planning. Before joining Freddie Mac, Ms. Gertz served in financial management posts at Texas Instruments in Houston, Texas. Ms. Gertz holds a Bachelor of Arts with Distinction from the University of Colorado in Boulder, Colorado and a Master of Business Administration from the University of Michigan in Ann Arbor, Michigan.

Ms. Gertz’s experience in the real estate financing industry, which includes experience with operational risk oversight, loan modifications and loss mitigation programs, allows her to offer guidance to the Board of Directors from both an operational and a strategic perspective. In addition, her prior management experience and knowledge of the financial services industry bring insights to the Board of Directors, particularly in the areas of finance and strategic planning.

**Dale Kurland.** Ms. Kurland was appointed to the Board of Directors of AAMC in [ ] 2012. Ms. Kurland is the founder and President of Classic Strategies Group, LLC (“CSG”), a private company founded in 2004 which provides mergers and acquisition consulting services to mortgage banking executives. Prior to forming CSG, Ms. Kurland served as President of DK Advisory Services, Inc. where she was involved in the sales of JI Kislak Mortgage Corporation, James Madison Mortgage Corporation, First Town Mortgage Corporation and HomeSouth Mortgage. Prior to joining DK Advisory Services, Ms. Kurland was the head of Bear Stearns’ Mortgage Banking Mergers and Acquisitions Group where she advised clients on the purchase and sale of mortgage companies and mortgage servicing portfolios. Ms. Kurland served on the Board of Directors of Lender Services, Inc. until the sale of the company to Fidelity National Financial in February 2003. Ms. Kurland holds a Bachelor of Arts from Skidmore College in Saratoga Springs, New York.

Ms. Kurland’s background in real estate financing and advisory experience in the mortgage and real estate industries, along with her prior management and board of directors experience, brings industry expertise, leadership direction and guidance to the Board of Directors.

**Salah Saabneh.** Mr. Saabneh was appointed to the Board of Directors of AAMC in [ ] 2012. Mr. Saabneh is a founding partner at Manikay Partners, LLC, an investment management firm and has served as a senior member of the Manikay Partner’s event-driven and special situations investment team since 2008. Prior to joining Manikay Partners, Mr. Saabneh served from 2005 to 2008 as Director, Securitized Products and Special Situations, at Angelo, Gordon & Co. Previously, Mr. Saabneh was a senior banker at ING Financial Markets LLC and UBS Warburg LLC and was involved in structuring and underwriting a wide range of securitization transactions and asset-backed financings. Mr. Saabneh practiced corporate and finance law with Sidley & Austin in New York City and London. Mr. Saabneh holds a Bachelor of Laws from Hebrew University in Jerusalem, a Master of Laws from Georgetown University in Washington, D.C. and a Master of Business Administration from Columbia University in New York, New York.

Mr. Saabneh’s legal and corporate finance background, and experience structuring and underwriting mortgage securitization transactions and other asset-backed financing transactions, brings strategic and operational insights to the Board of Directors.

**Robert C. Schweitzer.** Mr. Schweitzer was appointed to the Board of Directors of AAMC in [ ] 2012. Mr. Schweitzer has over 35 years of experience in the financial services industry in various positions of increasing responsibility. Mr. Schweitzer also serves as Chairman of the Board of PetMeds (NASDAQ:PETS). In his financial services career, in addition to managing major line organizations, Mr. Schweitzer has successfully managed several acquisition and turnaround situations. Mr. Schweitzer served as President and Chief Operating Officer of Shay Investment Services, Inc. from 2007 to 2012 and was responsible for managing all aspects of the firm. Prior to joining Shay, from 2004 to 2006, Mr. Schweitzer served as the Florida Regional President of Northwest Savings Bank following its acquisition of Equinox Bank, where he was President and Chief Executive Officer. From 1999 to 2003, Mr. Schweitzer served as Regional President of Union Planters Bank for the Broward and Palm Beach counties Florida markets, and from 1993 to 1999 he served as Executive Vice President and Head of Commercial Banking for Barnett Bank/NationsBank/Bank of America in Jacksonville, Florida. Mr. Schweitzer also held the positions of Director and Head of Real Estate Consulting for Coopers & Lybrand in Washington, D.C., from 1991 to 1993, Senior Vice President/Manager of Central North America Commercial Real Estate as well as Manager of Domestic Credit Review for the First National Bank of Chicago from 1985 to 1991 and Senior Vice President/Manager of Central North America Banking for Wachovia Bank from 1975 to 1985. Mr. Schweitzer served in the United States Navy in the Submarine Force and Navy Reserve for 30 years and retired with a rank of Captain. Mr. Schweitzer holds a Bachelor of Science from the United States Naval Academy in Annapolis, Maryland and a Master of Business Administration from the University of North Carolina in Chapel Hill, North Carolina.

Mr. Schweitzer’s background in real estate and experience leading financial services organizations, brings operational and leadership expertise as well as knowledge of strategic planning and public company corporate governance to the Board of Directors.

## COMPENSATION DISCUSSION AND ANALYSIS

### Introduction, Philosophy and Objectives

This compensation discussion and analysis provides information regarding our anticipated compensation program and elements thereof for our named executive officers. Our named executive officers are:

Name	Position
Ashish Pandey	Chief Executive Officer
Rachel M. Ridley	Chief Financial Officer
David P. Durm	General Counsel and Secretary

Our Compensation Committee will be responsible for the design of our executive compensation program. We believe an effective executive compensation program will align executives’ interests with shareholders by rewarding performance that achieves or exceeds specific financial targets and

strategic goals designed to improve shareholder value. The program will seek to promote individual service longevity and to provide our executives with long-term incentive opportunities that promote consistent, high-level financial performance. The Compensation Committee will evaluate both performance and compensation periodically to ensure that we maintain our 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 employees of our peer companies. To achieve these objectives, we generally believe executive compensation packages should include base salary, an annual incentive opportunity and equity compensation that rewards performance as measured against established goals.

We anticipate that initially the program, which is largely based on the Altisource executive compensation program, will include the elements described below.

### **Role of Executive Officers in Compensation Decisions**

Certain executives will be involved in the design and implementation of our executive compensation programs including the Chief Executive Officer, who will typically be present at Compensation Committee meetings. These executives will review annually the performance of each executive officer (other than the Chief Executive Officer whose performance will be reviewed by the Compensation Committee) and will present their conclusions and recommendations regarding incentive award amounts to the Compensation Committee for its consideration and approval. The Compensation Committee will be able to exercise its discretion in accepting, rejecting and/or modifying any such recommendations; however, executive compensation matters generally will be delegated to the Chief Executive Officer for development and execution.

### **Elements of Compensation**

The compensation program for our named executive officers will consist of base salary, an annual incentive opportunity and equity compensation. This compensation structure will provide each named executive officer with a competitive salary while emphasizing an incentive opportunity element that is tied to the achievement of corporate goals and strategic initiatives as well as individual performance. In addition, our named executive officers will participate in an equity incentive opportunity, which will further align their interest with the creation of long-term shareholder value. We believe these elements of compensation are appropriate in light of our industry, current challenges and environment.

#### ***Base Salary***

Base salaries for our named executive officers will be established based on individual qualifications and job responsibilities while taking into account compensation levels at similarly situated companies for similar positions.

Base salaries of the named executive officers will be reviewed annually during the performance appraisal process with adjustments made based on market information, internal review of the executive officer's compensation in relation to other executive officers, individual performance of the executive officer and corporate

performance. Salary levels will also be considered upon a promotion or other change in job responsibility. Salary adjustment recommendations will be based on our overall performance and an analysis of compensation levels necessary to maintain and attract quality personnel. While the Compensation Committee will set the base salary for the Chief Executive Officer, the base salaries for all other executive officers will be recommended by the Chief Executive Officer.

Base salaries of the named executive officers will be reviewed annually during the performance appraisal process with adjustments made based on market information, internal review of the executive officer's compensation in relation to other executive officers, individual performance of the executive officer, corporate performance and an analysis of compensation levels necessary to maintain and attract quality personnel. Salary levels will also be considered upon a promotion or other change in job responsibility.

#### ***Annual Incentive Opportunity***

Each of our named executive officers will have an annual incentive opportunity pursuant to an annual incentive plan structured to motivate executive officers to achieve pre-established key performance indicators by rewarding the executives for such achievement. This will be 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 Company performance and long-term shareholder value. The corporate scorecard will be approved annually by the Compensation Committee and/or the full Board of Directors and will be utilized by the Compensation Committee as a factor to determine the appropriate amount of incentive compensation to be paid to the named executive officers. During the development of the corporate scorecard each year, the Compensation Committee will consider the level of difficulty associated with the attainment of each goal in the scorecard with the intent to establish the target goal at a level that is challenging.

Our anticipated corporate scorecard and corresponding achievement levels will be approved following the Separation and annually thereafter by our Compensation Committee and/or our Board of Directors. We anticipate the incentive award for our Chief Executive Officer will be structured so that compensation opportunities will be related to (i) the Company's performance versus the objectives established in the corporate scorecard (80%), and (ii) a performance appraisal (20%). The incentive awards of our other named executive officers will be structured so that compensation opportunities will be related to (i) performance within the corporate, business unit or support unit scorecard as expressly assigned in each executive's scorecard (80%) (of which typically 50% or more is weighted on corporate financial objectives), and (ii) a performance appraisal (20%).

The components in each scorecard will be weighted individually based on relevance to the ultimate financial performance of the Company and the importance of the achievement to the success of our corporate strategy. Within each component of the scorecard, there will be three established levels of achievement: threshold, target and outstanding. Each level of achievement is tied to a relative point on a percentage scale which indicates the executive officer's level of goal achievement within each component of the scorecard. Achieving the threshold level of achievement will earn the executive officer 50% of the target incentive opportunity tied to such goal; the target level of achievement will earn the executive officer 100% of the target incentive opportunity tied to such goal and the outstanding level of achievement will earn the executive officer 150% of the target incentive opportunity tied to such goal. Any achievement below the threshold level will not entitle the executive to compensation for the associated goal.

The goals and initiatives on the corporate scorecard will be further cascaded down through the organization to all of our incentive-eligible employees in their personal scorecards. The scorecards will be communicated to all incentive-eligible employees by the Human Resources Department or the employee's immediate supervisor and will be available to employees 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. This incentive opportunity structure is intended to align the goals of our incentive-eligible employees with the overall success of the Company, while establishing clear performance standards within their respective business or support units.

Executives will have 20% of their incentive opportunity determined by their performance appraisal for the service year. Each of our executive officers will perform a self-assessment as to his or her performance against his or her goals for the applicable year. Our Chief Executive Officer will utilize these assessments, as well as his or her

own observations, to prepare a written performance appraisal for each of the other executive officers. These performance appraisals will rate performance on objective criteria related to two key factors: (i) the executive's ability to improve and develop the organization throughout the year, and (ii) the executive's strategic contributions to the direction of the Company.

The Chief Executive Officer's scorecard performance and personal performance appraisal will be determined by the Compensation Committee in consultation with the Chairman, taking into consideration whether the Company's performance and corresponding incentive results present a fair representation of the Chief Executive Officer's performance.

For our executive officers other than the Chief Executive Officer, the Chief Executive Officer, together with any other executive officers involved in the evaluation, will present the personal scorecard performance and the performance appraisal scores to the Compensation Committee and will make recommendations as to the appropriate incentive amounts. The Compensation Committee will evaluate the recommendations in light of the Company's overall performance and the executive's business unit or support unit's performance and will make the final compensation award determinations for each executive. Annual incentive compensation is paid to our executive officers and other annual incentive-eligible employees following this determination.

Upon the commencement of their services for the Company at the Separation, the named executive officers' annual non-equity compensation will be structured as follows:

Officer	Base Salary	Target Annual Incentive Opportunity	Maximum Annual Incentive Opportunity(1)
Ashish Pandey, Chief Executive Officer	\$ 325,000	\$ 325,000	\$ 487,500
Rachel M. Ridley, Chief Financial Officer	\$ 210,000	\$ 90,000	\$ 135,000
David P. Durm, General Counsel and Secretary	\$ 248,000	\$ 152,000	\$ 228,000

### ***The 2012 Equity Incentive Plan***

Prior to the Separation, we expect the Altisource Board of Directors to approve the 2012 Equity Incentive Plan (the "2012 Plan"). The following summary of the 2012 Plan describes the expected terms of the 2012 Plan, but the precise terms cannot be determined until the 2012 Plan is approved by the Altisource Board of Directors.

#### ***Administration***

The 2012 Plan will be administered by the Compensation Committee. The Compensation Committee will have full authority, in its discretion, to interpret the 2012 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 of AAMC and any subsidiaries of AAMC, as well as key executives of Altisource and Ocwen, will be eligible for participation under the 2012 Plan.

Each award granted under the 2012 Plan will be evidenced by a written award agreement between the participant and AAMC, which describes the award and states the terms and conditions to which the award is subject. If any shares subject to an 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.

#### ***Awards under the 2012 Plan***

The 2012 Plan will allow for the grant of stock options, restricted stock, performance awards and other equity awards. In lieu of receiving some or all of their annual incentive, our named executive officers may be granted the opportunity to purchase non-voting preferred shares in the Company, which will allow them to receive preferred distributions. The preferred distributions will be in lieu of the annual incentive and not cumulative.

The aggregate number of shares of our common stock that may be issued under the 2012 Plan is currently contemplated to be 15% of our outstanding shares, subject to proportionate adjustment in the event of stock splits and similar events.

#### ***Stock Options***

The 2012 Plan will allow for the grant of stock options. The Compensation Committee will determine the option's exercise price, when the option becomes exercisable and the acceptable methods of payment. Except under limited circumstances, no stock option may be exercised after the expiration of ten years from the date of grant.

#### ***Restricted Stock***

The 2012 Plan will allow for the grant of restricted shares of our common stock (“Restricted Stock”), which are subject to forfeiture before the restrictions (which may include restrictions on the right to transfer or encumber the shares while subject to restriction) lapse. The restrictions may lapse due to continued employment (of not less than three years) or the achievement of performance goals.

*Performance Awards*

The 2012 Plan will allow for the grant of performance awards, which entitle the recipient to receive shares of our common stock upon the achievement of specified performance goals during specified periods. The Compensation Committee will establish the terms of a performance award, including the applicable performance goals, the period in which the goals must be achieved and the number of shares of common stock to be awarded.

*Other Equity Awards*

The 2012 Plan will allow for our Compensation Committee, subject to limitations under applicable law, to grant to eligible employees 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 Compensation Committee to be consistent with the purposes of the 2012 Plan, including, without limitation, purchase rights, equity 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 2012 Plan will allow for our Compensation Committee and/or our Board of Directors to establish a preferred distribution or purchase right award pursuant to which our named executive officers will be entitled to purchase shares of the Company and receive preferred distributions in lieu of some or all of their annual incentive opportunity (the “Purchase Right”).

Any shares of common stock or securities delivered pursuant to a Purchase Right granted under the 2012 Plan will 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 will determine. However, the value of such consideration will 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.

*Miscellaneous*

Except to the extent otherwise determined by the Compensation Committee, no award and no rights or interests therein will be assignable or transferable by a participant otherwise than by will or the laws of descent and distribution.

Subject to and consistent with the provisions of the 2012 Plan, the Compensation Committee will determine the terms and conditions of the equity awards granted pursuant thereto, including but not limited to the number of shares awarded, vesting criteria, exercise restrictions, transferability, payment terms, cancellations and treatment upon the occurrence of various termination events.

The Board of Directors will have the authority to amend, suspend or terminate the 2012 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 2012 Plan or modifies the requirements for participation under the 2012 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 2012 Plan or any award may materially and adversely affect the rights of such participant under any previously granted award.

*2012 Equity Award Grants*

Subject to the approval of the 2012 Plan and effective upon Separation, the Altisource Board of Directors approved on the recommendation of the Altisource Compensation Committee, grants of Restricted Stock in the amounts as a percentage of initial outstanding common stock as set forth below to the following named executive officers of the Company:

<b>Officer</b>	<b>AAMC Restricted Stock Award (% of initial outstanding common stock)</b>
Ashish Pandey, Chief Executive Officer	2.0
Rachel M. Ridley, Chief Financial Officer	0.375
David P. Durm, General Counsel and Secretary	0.5

Additionally, the following Restricted Stock awards were made to key executives of Altisource and Ocwen (as a percentage of initial outstanding common stock): 2.25% to the Executive Chairman of Ocwen, 1.25% to the Chief Executive Officer and President of Ocwen, 1.25% to the Chief Executive Officer of Altisource, 0.625% to the Chief Administration Officer and General Counsel of Altisource and 0.375% to the Chief Financial Officer of Altisource. Because Altisource’s performance under the Altisource Master Services Agreement and Ocwen’s performance under the Ocwen Servicing Agreement are instrumental to the financial performance of the Company, these Restricted Stock awards are intended to retain, motivate and align the interests of members of Altisource’s and Ocwen’s management with the success of the Company.

The Restricted Stock will vest in three tranches, subject to the achievement of the following performance hurdles:

- Twenty-five percent (25%) of the grant to an executive will vest in accordance with the vesting schedule set forth below if the market value of Company stock meets all three of the following conditions: (i) the market value is at least equal to \$250 million; (ii) the market value has realized a compounded annual gain of at least twenty percent (20%) over the market value on the date of the grant; and (iii) the market value is at least double the market value on the date of the grant;

- Fifty percent (50%) of the grant to an executive will vest in accordance with the vesting schedule set forth below if the market value of Company stock meets all three of the following conditions: (i) the market value is at least equal to \$500 million; (ii) the market value has realized a compounded annual gain of at least twenty-two and a half percent (22.5%) over the market value on the date of the grant; and (iii) the market value is at least triple the market value on the date of the grant and
- Twenty-five percent (25%) of the grant to an executive will vest in accordance with the vesting schedule set forth below if the market value of Company stock meets all three of the following conditions: (i) the market value is at least equal to \$750 million; (ii) the market value has realized a compounded annual gain of at least twenty-five percent (25%) over the market value on the date

of the grant; and (iii) the market value is at least quadruple the market value on the date of the grant.

After the performance hurdles for a tranche have been achieved, 25% of the Restricted Stock in that tranche will vest on each of the first four anniversaries of the date that the performance hurdles for that tranche were met.

If an award recipient's service with the Company or any of its affiliates is terminated prior to full vesting of the Restricted Stock, then the award recipient will forfeit all unvested Restricted Stock to the Company, except that if (i) an award recipient's service is terminated without cause or due to death or disability and (ii) the performance hurdles for a tranche have already been achieved or are achieved within 90 days of termination, unvested stock for the corresponding tranche will continue to vest according to the above vesting schedule.

Award recipients will have the right to make the election permitted under Section 83(b) of the United States Code.

### **Stock Ownership Policies**

Although we do not anticipate having stock ownership requirements, our philosophy is that equity ownership by our directors and executives is important to attract, motivate, retain and to align their interests with the interests of our shareholders. We believe that the Company's equity incentive programs will be adequate to achieve this philosophy. We will also maintain a management directive detailing our insider trading policy as well as our trading window period policy for directors, executive officers and other employees.

### **Setting Compensation Levels**

In determining appropriate compensation levels and structure, we will conduct benchmarking on executive compensation among peer companies of comparable size, industry, location and similar attributes to the Company. We believe this methodology of peer group benchmarking is an effective approach to setting compensation levels to ensure that the Company's pay practices allow it to attract and retain executive employees of the highest quality. We anticipate that our executive compensation program will be effectively designed and administered to align our executives' interests with those of our shareholders and will be instrumental to achieving our business strategy.

### **Other Compensation**

The Compensation Committee's policy with respect to other employee benefit plans will be to provide benefits to our employees, including our 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.

### **Potential Payments upon Termination**

Below is a description of amounts that would be potentially payable to each named executive officer assuming their employment terminates under various scenarios.

If employment is terminated by the named executive officer's retirement or disability, the Company will pay all standard relocation costs to relocate the executive to the executive's domicile prior to being relocated to the U.S. Virgin Islands. If the Company terminates the employment of the executive other than for "cause" the Company may make a cash payment of up to six months' salary. In these instances, the Company will also pay all standard relocation costs to relocate the executive to their previous domicile prior to being relocated to the U.S. Virgin Islands. If the executive is terminated by the Company for "cause", the Company shall have no further obligation to make any further payment to the executive, other than amounts accrued and unpaid at the date of termination. If the executive resigns, the Company shall have no further obligation to make any further payment to the executive, other than amounts accrued and unpaid at the date of resignation.

As used herein, "cause" will mean, as reasonably determined by the Board of Directors, either (i) any willful or grossly negligent conduct (including but not limited to fraud or embezzlement) committed by the executive in connection with the executive's employment with the Company, which conduct in the reasonable determination of the Board of Directors has had or will have a material detrimental effect on the Company's business or (ii) the executive's conviction of, or entering into a plea of guilty or *nolo contendere* to, a felony involving fraud or embezzlement or such other crime which may bring disrepute upon the Company, whether or not committed during the course of the executive's employment with the Company.

### **Restrictive Covenants**

All of our executive officers will execute an intellectual property and non-disclosure agreement upon commencement of their employment. This agreement requires the executive officer to hold all "confidential information" in trust for us and prohibits 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 generally will not have employment agreements with our executive officers.

## **Tax Considerations**

The timing of compensation decisions is driven by a variety of tax considerations. Under Section 162(m) of 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 unless such compensation is based upon the attainment of performance objectives meeting certain regulatory criteria or is otherwise excluded from the limitation.

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, our annual incentive awards with respect to the prior year must be paid out by March 15 for employees of the Company who are U.S. taxpayers.

## **HISTORICAL EXECUTIVE COMPENSATION**

For the period from March 15, 2012 (inception) through June 30, 2012, our named executive officers have not received any cash (or non-cash) compensation from the Company.

## **COMPENSATION COMMITTEE'S INTERLOCKS AND INSIDER PARTICIPATION**

No member of the Compensation Committee will have any relationship with us requiring disclosure under Item 404 of SEC Regulation S-K. Since our inception, none of our named executive officers has served on the Board of Directors or compensation committee of any other company that has or had one or more named executive officers who served as a member of our Board of Directors or will serve on our Compensation Committee.

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## **BOARD OF DIRECTORS AND CORPORATE GOVERNANCE**

### **Board of Directors**

We initially intend to have a Board of Directors that consists of seven directors. William C. Erbey is the Chairman of the Board of Directors of AAMC. Mr. Erbey is also the Chairman of the Board of Directors of Residential. He will also continue to serve in his role as the Chairman of the Board of Directors of Altisource and HLSS and as the Executive Chairman of Ocwen. Other than Mr. Erbey, no directors of Altisource will become directors of AAMC. In addition to Mr. Erbey, directors of AAMC will include Paul T. Bossidy, Cindy Gertz, Dale Kurland, Ashish Pandey, Salah Saabneh and Robert C. Schweitzer.

We expect our Board of Directors will 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.

### **Director Independence**

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 [ ] and applicable law.

We anticipate that our Board of Directors will review annually the direct and indirect relationships that we have with each director. Only those directors who will be determined by our Board of Directors to have no material relationship with AAMC 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 [ ] 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 establish 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 of our Board of Directors generally will be responsible to act on behalf of our Board of Directors during the intervals between meetings of our Board of Directors. The Executive Committee will be authorized to approve and/or to designate in writing certain individuals to approve actions that are required to be documented by counterparties 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, 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 SEC. Our Board of Directors also will appoint only financially literate members to our Audit Committee, will require that a majority of its members

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possess accounting or related financial management expertise and will ensure that each qualifies as an audit committee financial expert as that term is defined in SEC rules implementing requirements of the Sarbanes-Oxley Act. 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.altisourceamc.com](http://www.altisourceamc.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 will also 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 officer compensation plans, any executive officer 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 any other compensation plan 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. 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.altisourceamc.com](http://www.altisourceamc.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 the Chief Executive Officer 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) and present his conclusions and recommendations regarding incentive award amounts to the Compensation Committee for its consideration and approval. The Compensation 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. 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.altisourceamc.com](http://www.altisourceamc.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 Exchange Act. 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, executive officers, 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 number of 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 will be able to do so by writing to our Secretary at Altisource Asset Management Corporation, 402 Strand St., Frederiksted, United States Virgin Islands 00840-3531. The shareholder should provide each proposed nominee's name, biographical data and qualifications. Such recommendation should also 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 including: director qualification standards, Board and committee composition, director responsibilities, director access to management and independent advisors, director compensation, director orientation and continuing education, management succession 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.altisourceamc.com](http://www.altisourceamc.com) and will be available in print to any shareholder who requests them.

### **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 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 AAMC, the shareholder may do so by mail addressed to our Corporate Secretary at Altisource Asset Management Corporation at 402 Strand St., Frederiksted, United States Virgin Islands 00840-3531.

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. Any waivers from the Code of Business Conduct and Ethics 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 that will apply to our Chief Executive Officer and our senior financial officers, including the 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.altisourceamc.com](http://www.altisourceamc.com) and will be available in print to any shareholder who requests a copy by writing to our Secretary at Altisource Asset Management Corporation, 402 Strand St., Frederiksted, United States Virgin Islands 00840-3531. 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 SEC, will be posted on our website.

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## BOARD OF DIRECTORS' COMPENSATION

### Compensation

We will provide compensation to our non-management directors, as customary in the United States Virgin Islands and as determined by resolution of the Altisource Board of Directors prior to the Separation and ratified by our Board of Directors after the Separation. 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 may be adjusted from time to time. As of the date of this information statement, we have not provided any compensation or reimbursements to our non-management directors.

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## 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 named executive officer of AAMC;
- all directors and named executive officers of AAMC as a group and
- all persons known by AAMC to beneficially own 5% or more of our outstanding common stock.

The table is based upon information supplied to us by directors, executive officers and principal shareholders of Altisource and filings under the Exchange Act.

#### Shares Beneficially Owned as of [ ], 2012(1)

Name of Beneficial Owner:	Amount	Percent
Leon G. Cooperman(2)	[ ]	[ ]%
Barry N. Wish(3)	[ ]	[ ]%
Wellington Management Company, LLP(4)	[ ]	[ ]%
<b>Directors and Named Executive Officers:</b>	<b>Amount</b>	<b>Percent</b>
William C. Erbey(5)	[ ]	[ ]%
Ashish Pandey	—	—%
Rachel M. Ridley	—	—%
David P. Durm	—	—%
Paul T. Bossidy	—	—%
Cindy Gertz	—	—%
Dale Kurland	—	—%
Salah Saabneh	—	—%
Robert C. Schweitzer	—	—%
All Directors and Named Executive Officers as a Group	[ ]	[ ]%

\* 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 Exchange Act. 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 or directors.
- (2) Based on information contained in a Schedule 13G/A filed with the SEC on [ ] by Leon G. Cooperman. Includes [ ] shares as to which sole voting power is claimed and [ ] shares as to which sole dispositive power is claimed. Mr. Cooperman's address is 2700 North Military Trail, Suite 230, Boca Raton, FL 33431.

- (3) Based on information contained in corporate records and in a Schedule 13D/A filed jointly by Barry N. Wish, Wishco, Inc., a Delaware corporation (“Wishco”), and Barry Wish Family Foundation, Inc., a Florida non-profit corporation (“Foundation”), with the SEC on [ ]. Includes (i) [ ] shares owned by Barry N. Wish directly, (ii) [ ] shares owned by Foundation, which is controlled by Mr. Wish and (iii) [ ] shares owned by Wishco, which is controlled by Mr. Wish pursuant to his ownership of [ ]% of the common stock thereto. Mr. Wish’s address is 1661 Worthington Road, Suite 100, West Palm Beach, FL 33409.
- (4) Based on information contained in a Schedule 13G filed with the SEC on [ ] by Wellington Management Company, LLP (“Wellington Management”). Includes [ ] shares which are held of record by clients of Wellington Management and of which Wellington Management, in its capacity as an investment adviser, may be deemed to beneficially own. Wellington Management’s address is 280 Congress Street, Boston, MA 02210.
- (5) Includes [ ] 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. Mr. and Mrs. William C. Erbey share voting and dispositive power with respect to the shares owned by FF Plaza Partners and to [ ] shares held jointly. Also includes [ ] shares held by Erbey Holding Corporation, a corporation wholly-owned by William C. Erbey and includes

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options to acquire [ ] shares which are exercisable on or within 60 days after [ ] and [ ] unvested restricted stock units. Mr. Erbey’s address is 402 Strand St., Frederiksted, VI 00840-3531

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### CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

William C. Erbey, who is our Chairman of the Board of Directors, is currently, and is expected to remain, the Chairman of the Board of Altisource, Ocwen, HLSS and Residential. As a result, he will have obligations to us as well as to Altisource, Ocwen, HLSS and Residential and may have conflicts of interest with respect to matters potentially or actually involving or affecting us and Altisource, Ocwen, HLSS and Residential. Mr. Erbey will own substantial amounts of Residential and our common stock and options and owns substantial amounts of Altisource, Ocwen and HLSS common stock and Altisource and Ocwen stock options because of his relationships with Altisource, Ocwen and HLSS. As of September 30, 2012, Mr. Erbey is the beneficial owner of the following:

Entity	Common shares	% of common shares outstanding	Vested stock options	Unvested stock options
Altisource	5,936,655	25.4%	772,958	150,000
Ocwen	17,775,005	13.2%	2,318,865	2,450,000
HLSS	862,388	2.8%	—	—

As the distribution of Residential and the Company will be on a pro rata basis, Mr. Erbey’s ownership percentage in Residential and the Company will be the same as his ownership percentage in Altisource at the time of the Separation.

Ashish Pandey, who will serve as our Chief Executive Officer and a director on our Board of Directors, owns Ocwen and Altisource stock options due to similar current or past relationships with Ocwen and Altisource. As of September 30, 2012, Mr. Pandey is the beneficial owner of the following:

Entity	Common shares	% of common shares outstanding	Vested stock options	Unvested stock options
Altisource	0	0%	17,223	12,812
Ocwen	0	0%	51,563	38,437
HLSS	15,700	.05%	—	—

Our officers and directors and those of Altisource, Ocwen and HLSS may acquire significant shares of our stock following the Separation.

In addition, see “Relationship Between Altisource and Us Following the Separation” for a description of the intercompany agreements that will exist between Altisource and us following the Separation.

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### DESCRIPTION OF CAPITAL STOCK

The following summary of certain terms of AAMC 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.

#### Authorized Capital Stock

Under our Articles of Incorporation, we are authorized to issue 100,000 shares of common stock, par value \$0.01 per share. We are authorized to issue multiple classes of stock or one or more series of stock within any class thereof. We intend to increase the authorized number of shares of common stock to facilitate the Separation which capital increases must be approved by the Board of Directors. Based on the number of Altisource shares outstanding on [ ], 2012, approximately [ ] shares of AAMC common stock will be issued to shareholders of Altisource on the Separation Date although the actual number of

shares of AAMC common stock to be issued will be determined as of the Record Date. All of the shares of AAMC common stock to be distributed to Altisource shareholders in the Separation will be fully paid and non-assessable.

### **Common Stock**

The holders of AAMC common stock will be entitled to one vote for each share on all matters voted on by shareholders, and the shareholders will possess all voting power. Accordingly, the holders of the absolute majority of the shares of AAMC common stock cast (excluding any abstentions, empty or invalid votes) at the meeting of shareholders voting for the election of directors can elect all of the directors if they choose to do so. To date, AAMC 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 our common stock immediately following the Separation will be American Stock Transfer & Trust Company.

### **Listing**

We intend to apply to have the shares of AAMC common stock that you will receive in the Separation listed on the [ ] under the symbol “[ ].”

## **CERTAIN PROVISIONS OF OUR ARTICLES OF INCORPORATION AND BYLAWS**

### **General**

While AAMC’s Articles of Incorporation and Bylaws do not contain many of the typical provisions that would be considered to have an anti-takeover effect, AAMC’s directors and executive officers held [ ]% 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 AAMC. See “Security Ownership of Certain Beneficial Owners and Management.”

We set forth below a summary of certain provisions of AAMC’s Articles of Incorporation and Bylaws that possibly could impede or delay an acquisition of control of AAMC 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.

### **Number of Directors; Removal; Filling Vacancies**

AAMC’s Bylaws provide that the number of directors on its Board of Directors shall not be less than three; provided, however, that at all times in which AAMC has fewer than three shareholders, the number of directors may be equal to, or greater than, the number of shareholders. AAMC’s Bylaws further provide that directors may be elected at a meeting of shareholders by a majority of the votes cast by the shareholders present in person or by proxy at the meeting. Any newly created directorship as proposed by the Board of directors or vacancy (unless a vacancy created by the removal of a director by shareholders shall be filled by the shareholders at the meeting at which the removal was effected) may be filled by a majority vote of the remaining directors that are present at a regular meeting or special meeting of the Board of Directors.

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 AAMC’s Bylaws.

### **Shareholder Action by Written Consent; Special Meetings**

AAMC’s Bylaws provide that shareholders may take action at an Annual or Special Meeting of Shareholders. A Special Meeting of Shareholders may be called only if (1) AAMC’s Board of Directors deems it necessary; or (2) if shareholders holding a majority of our share capital request it. AAMC’s Bylaws allow for shareholder action by written consent of all shareholders entitled to vote in lieu of a meeting.

### **Amendment of the Bylaws**

Any proposal to amend, alter, change or repeal any provision of AAMC’s Bylaws requires the affirmative vote of shareholders holding, in the aggregate, at least of a majority of the outstanding shares entitled to vote in the election of directors at any Annual or Special Meeting of Shareholders.

The Board of Directors shall have the power to make and adopt Bylaws, except that the Board of Directors shall have no power to effectively change the quorum for meetings of shareholders or of the Board of Directors, or to effectively change any provisions of the Bylaws with respect to the removal of directors or filling of vacancies in the Board of Directors resulting from removal by the shareholders.

If any Bylaws regulating an impending election of directors is adopted by the Board of Directors that effectively amends or repeals a regulation concerning the method, notice, quorum necessary or otherwise substantially affecting the means for conducting an impending election of the Board of Directors, there shall be set forth in the notice of the next Annual Meeting of Shareholders for the election of directors, the Bylaws, so made and adopted, together with a concise statement of the changes.

## **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 Bylaws.

AAMC is incorporated under the laws of the United States Virgin Islands.

AAMC's Bylaws provide for the indemnification of directors and officers in connection with any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of AAMC) by reason of the fact that such person is or was a director or officer if such person acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of AAMC, and with respect to any criminal action or proceeding, he or she had no reasonable cause to believe his or her conduct was unlawful. Expenses may be advanced prior to the final disposition of any such action, suit or proceeding as authorized by the Board of Directors in the specific case upon receipt of an undertaking by or on behalf of the director or officer to repay such amounts unless it shall ultimately be determined that he or she is entitled to be indemnified by the Corporation.

The determination of whether an officer or director meets the applicable standard of conduct for indemnification is made by the Board of Directors by a majority vote of a quorum consisting of directors who were not party to such action, suit or proceedings, or if such a quorum is not obtainable, or even if obtainable and the quorum of disinterested directors so directs, by independent legal counsel in a written opinion, or by the shareholders.

AAMC may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of AAMC or is or was serving at the request of the AAMC as a director, officer, employee or agent of another company, partnership, joint venture, trust or other enterprise against any liability asserted against or incurred by that person in any such capacity or arising out of his or her status as such, whether or not AAMC would have the power to indemnify that person against such liability under the provisions set forth in the Bylaws.

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## 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.altisourceamc.com](http://www.altisourceamc.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 Asset Management Corporation  
402 Strand St.  
Frederiksted, United States Virgin Islands 00840-3531  
Telephone: (340) 692-1055  
Attention: Corporate Secretary

We will furnish shareholders of our common stock with annual reports containing consolidated financial statements prepared in accordance with GAAP 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.

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**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

To the Board of Directors and Shareholder of  
 Altisource Asset Management Corporation  
 Frederiksted, U.S. Virgin Islands

We have audited the accompanying balance sheet of Altisource Asset Management Corporation (a development stage company) (the "Company") as of June 30, 2012, and statements of changes in shareholder's equity and cash flows for the period from March 15, 2012 (date of inception) to June 30, 2012. 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 in accordance with 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. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, such financial statements referred to the above present fairly, in all material respects, the financial position of Altisource Asset Management Corporation as of June 30, 2012 and its cash flows for the period from March 15, 2012 (date of inception) to June 30, 2012 in conformity with accounting principles generally accepted in the United States of America.

The Company is in the development stage at June 30, 2012. As discussed in Note 1 to the financial statements, successful completion of the Company's development program and, ultimately the attainment of profitable operations are dependent upon Altisource Residential, L.P. (the "Partnership") achieving profitable operations. The Partnership's attainment of profitable operations is dependent upon future events, including obtaining adequate capital to execute its acquisition strategy and achieving a level of revenues adequate to support the Partnership's cost structure.

/s/ Deloitte & Touche LLP

Atlanta, Georgia  
 September 19, 2012

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**ALTISOURCE ASSET MANAGEMENT CORPORATION**  
**(A Development Stage Company)**  
**BALANCE SHEET**

June 30, 2012

ASSETS		June 30, 2012
Cash	\$	500,000
Total assets	\$	<u>500,000</u>
Commitments and contingencies (Note 2)		
SHAREHOLDER'S EQUITY		
Common stock (\$0.01 par value; 100,000 shares authorized; 100,000 shares issued and outstanding)	\$	1,000
Additional paid-in capital		<u>499,000</u>
Total shareholder's equity		<u>500,000</u>
Total liabilities and shareholder's equity	\$	<u>500,000</u>

*The accompanying notes are an integral part of these financial statements.*

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**ALTISOURCE ASSET MANAGEMENT CORPORATION**  
**(A Development Stage Company)**  
**STATEMENT OF CHANGES IN SHAREHOLDER'S EQUITY**  
**For the Period from March 15, 2012 (date of inception) to June 30, 2012**

	Common stock		Additional paid-in capital	Total
	Shares	Amount		
Balance, March 15, 2012	—	\$ —	\$ —	\$ —

Issuance of common stock	100,000	1,000	499,000	500,000
Balance, June 30, 2012	<u>100,000</u>	<u>\$ 1,000</u>	<u>\$ 499,000</u>	<u>\$ 500,000</u>

The accompanying notes are an integral part of these financial statements.

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**ALTISOURCE ASSET MANAGEMENT CORPORATION**  
**(A Development Stage Company)**  
**STATEMENT OF CASH FLOWS**  
**For the Period from March 15, 2012 (date of inception) to June 30, 2012**

<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>	
Proceeds from issuance of common stock	\$ 500,000
Net cash provided by financing activities	<u>500,000</u>
<b>Net change in cash</b>	<b>500,000</b>
Cash at the beginning of the period	—
Cash at the end of the period	<u>\$ 500,000</u>

The accompanying notes are an integral part of these financial statements.

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**ALTISOURCE ASSET MANAGEMENT CORPORATION**  
**(A Development Stage Company)**  
**NOTES TO FINANCIAL STATEMENTS**

**1. ORGANIZATION AND BASIS OF PRESENTATION**

**Organization and Separation from Altisource Portfolio Solutions S.A.**

On April 26, 2012, Altisource Portfolio Solutions S.A. (“Altisource”) announced a plan to separate its wholly owned subsidiary, Altisource Asset Management Corporation (the “Company” or “AAMC”) from the remainder of its businesses. The Company, formed as a United States Virgin Islands business corporation on March 15, 2012, is in the development stage and has not commenced operations. Altisource intends to distribute their common shares of AAMC to Altisource’s shareholders in the form of a dividend and create a separate public company (“the Separation”). The Separation is subject to certain conditions including, but not limited to, necessary regulatory approvals and final approval by the Altisource Board of Directors.

Unless the context otherwise requires, references in these notes to the audited Financial Statements to “we,” “us,” “our,” “the Company” and “our company” refer to AAMC. References in these notes to the audited financial statements to “Altisource” or “parent” refers to Altisource Portfolio Solutions S.A., a Luxembourg société anonyme, and its consolidated subsidiaries (other than AAMC), unless the context otherwise requires.

**Our Business**

We will provide asset management and corporate governance services (collectively, our “Services”) to Altisource Residential Corporation, a Maryland corporation (“Residential”) recently formed to acquire and own single-family rental assets. Residential has not commenced operations nor acquired real estate related assets as of June 30, 2012.

The Company has not commenced operations and does not intend to do so until immediately after the Separation Date. When it does commence operations, it will primarily operate in the asset management and corporate governance services industry and has no other reportable segments.

**Basis of presentation**

Subsequent to the Separation, we will immediately commence operations and begin to incur costs as a result of becoming an independent publicly traded company. Accordingly, these financial statements are not indicative of our future performance and do not reflect what our results of operations, financial position and cash flows would have been had we commenced our Services and operated as an independent, publicly traded company during the period from March 15, 2012 (date of inception) to June 30, 2012.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Our significant accounting policies are summarized below.

**Basis of accounting**

The financial statements are prepared in accordance with U.S. generally accepted accounting principles (“GAAP”).

**Use of estimates**

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, revenues and expenses, and related disclosures of contingent liabilities in the financial statements and accompanying notes. Actual results could differ from those estimates.

## **Cash**

Cash includes demand deposits with financial institutions.

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**ALTISOURCE ASSET MANAGEMENT CORPORATION**  
**(A Development Stage Company)**  
**NOTES TO FINANCIAL STATEMENTS (continued)**

## **Fair Value of Financial Instruments**

The fair value of financial instruments, which primarily include cash are carried at amounts that approximate their fair value due to the short-term nature of these amounts.

## **Commitments and contingencies**

Loss contingencies, including claims and legal actions arising in the ordinary course of business, are recorded as liabilities when the likelihood of loss is probable and an amount or range of loss can be reasonably estimated. We are not aware of any litigation or other contingencies that would have an adverse impact on our financial statements.

## **3. SUBSEQUENT EVENTS**

We evaluated subsequent events through September 19, 2012; the date the financial statements were available to be issued, and through the reissuance of the financial statements on November 1, 2012.

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## **REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

To the General Partner of Altisource Residential, L.P.

We have audited the accompanying balance sheet of Altisource Residential, L.P. (a development stage partnership) (the "Partnership") as of June 30, 2012, and the related statements of changes in equity and cash flows for the period from June 7, 2012 (date of inception) to June 30, 2012. These financial statements are the responsibility of the Partnership's general partner. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with 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. The Partnership is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Partnership's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, such financial statements referred to the above present fairly, in all material respects, the financial position of Altisource Residential, L.P. as of June 30, 2012, changes in equity, and its cash flows for the period from June 7, 2012 (date of inception) to June 30, 2012 in conformity with accounting principles generally accepted in the United States of America.

The Partnership is in the development stage at June 30, 2012. As discussed in Note 1 to the financial statements, successful completion of the Partnership's development program and, ultimately the attainment of profitable operations are dependent upon future events, including obtaining adequate capital to execute its acquisition strategy and achieving a level of revenues adequate to support the Partnership's cost structure.

/s/ Deloitte & Touche LLP

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Atlanta, Georgia  
September 19, 2012  
(November 1, 2012, as to first paragraph of Note 1)

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**(A Development Stage Partnership)  
BALANCE SHEET**

June 30, 2012

ASSETS	
Cash	\$ 500,000
Total assets	<u>500,000</u>
Commitments and contingencies (Note 2)	
EQUITY	
Capital contribution	\$ 500,000
Total equity	<u>\$ 500,000</u>

*The accompanying notes are an integral part of these financial statements.*

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**ALTISOURCE RESIDENTIAL, L.P.  
(A Development Stage Partnership)  
STATEMENT OF CHANGES IN EQUITY  
For the Period from June 7, 2012 (date of inception) to June 30, 2012**

	Total Equity
Balance, June 7, 2012	\$ —
Capital contribution	500,000
Balance, June 30, 2012	<u>\$ 500,000</u>

*The accompanying notes are an integral part of these financial statements.*

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**ALTISOURCE RESIDENTIAL, L.P.  
(A Development Stage Partnership)  
STATEMENT OF CASH FLOWS  
For the Period from June 7, 2012 (date of inception) to June 30, 2012**

CASH FLOWS FROM FINANCING ACTIVITIES:	
Proceeds from capital contribution	\$ 500,000
Net cash provided by financing activities	<u>\$ 500,000</u>
Net change in cash	500,000
Cash at the beginning of the period	—
Cash at the end of the period	<u>\$ 500,000</u>

*The accompanying notes are an integral part of these financial statements.*

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**ALTISOURCE RESIDENTIAL, L.P.  
(A Development Stage Partnership)  
NOTES TO FINANCIAL STATEMENTS**

**1. ORGANIZATION AND BASIS OF PRESENTATION**

**Organization and Separation from Altisource Portfolio Solutions S.A.**

On April 26, 2012, the Board of Directors of Altisource Portfolio Solutions S.A. (“Altisource”) authorized management to pursue a separation of its development stage single-family rental assets business. In contemplation thereof, Altisource formed Altisource Residential, L.P. (the “Partnership”) on June 7, 2012 which will serve as the operating partnership that will acquire and hold the assets on behalf of Residential (defined below). The Partnership is in the development stage and has not commenced operations. Altisource Portfolio Solutions, Inc. (“APSI”), a wholly owned subsidiary of Altisource, is the Partnership’s sole limited partner. Altisource Residential GP, LLC (“GP”), a Delaware limited liability company, is the general partner of the Partnership. GP and APSI have a 1% and 99% partnership interest, respectively, in the Partnership. On October 1, 2012, Altisource Residential GP Member, LLC assigned

the ownership of Altisource Residential GP, LLC, the general partner of Altisource Residential, L.P., to Residential. Altisource Residential GP, LLC has assets of \$1, no liabilities and no operations.

Altisource intends to distribute their shares of Altisource Residential Corporation (“Residential”) to Altisource’s shareholders in the form of a dividend, and create a separate public company (the “Separation”). Residential, formed on July 19, 2012, has nominal assets, has not commenced operations, and will conduct its operations through the Partnership beginning immediately after the Separation. In conjunction with the Separation, Altisource will also distribute the limited partner interest in the Partnership to Residential. The Separation is subject to certain conditions including, but not limited to, necessary regulatory approvals and final approval by Altisource’s Board of Directors.

The Partnership’s activities will be externally managed by Altisource Asset Management Corporation (“AAMC” or “the Manager”), a newly-formed development stage company incorporated in the United States Virgin Islands, established to provide asset management and corporate governance services (the “Services”) to us and the Partnership, pursuant to a 15-year asset management agreement.

Unless the context otherwise requires, references in these notes to the audited Financial Statements to “we,” “us,” “our,” and “our company” refer to Altisource Residential, L.P. References in these notes to the audited financial statements to “Altisource” or “parent” refers to Altisource Portfolio Solutions S.A., a Luxembourg société anonyme, and its consolidated subsidiaries (other than the Partnership), unless the context otherwise requires.

## **Our Business**

We are organized as a Maryland corporation and intend to elect and qualify to be taxed as a REIT for U.S. federal income tax purposes. We were recently formed by Altisource to acquire and own single-family rental assets. Our sourcing strategy to obtain rental assets includes acquiring sub-performing and non-performing loans as well as single-family homes acquired at or following the foreclosure sale.

The Company has not commenced operations and does not intend to do so until immediately after the Separation. When it does commence operations, it will primarily operate in the property acquisition and management services industry and has no other reportable segments.

## **Basis of presentation**

Subsequent to the Separation, we will immediately commence operations and begin to incur costs as a result of becoming a subsidiary of an independent publicly traded company. Accordingly, these financial statements are not indicative of our future performance and do not reflect what our results of operations, financial position and cash flows would have been had we commenced our business and operated as an independent, publicly traded company during the period from June 7, 2012 (date of inception) to June 30, 2012.

## **2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Our significant accounting policies are summarized below.

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**ALTISOURCE RESIDENTIAL, L.P.**  
**(A Development Stage Partnership)**  
**NOTES TO FINANCIAL STATEMENTS (continued)**

### **Basis of accounting**

The financial statements are prepared in accordance with U.S. generally accepted accounting principles (“GAAP”).

### **Use of estimates**

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, revenues and expenses, and related disclosures of contingent liabilities in the financial statements and accompanying notes. Actual results could differ from those estimates.

### **Cash**

Cash includes demand deposits with financial institutions.

### **Fair value of financial instruments**

The fair value of financial instruments, which primarily include cash are carried at amounts that approximate their fair value due to the short-term nature of these amounts.

### **Commitments and contingencies**

Loss contingencies, including claims and legal actions arising in the ordinary course of business, are recorded as liabilities when the likelihood of loss is probable and an amount or range of loss can be reasonably estimated. We are not aware of any litigation or other contingencies that would have an adverse impact on our financial statements.

## **3. SUBSEQUENT EVENTS**

Other than the matter disclosed in Footnote 1 related to the formation of Residential, there have been no subsequent events requiring disclosure through September 19, 2012; the date the financial statements were available to be issued, and through the reissuance of the financial statements on November 1, 2012.

