

Lender Processing Services, Inc.

Form DEF 14A

April 04, 2011

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SCHEDULE 14A INFORMATION

**PROXY STATEMENT PURSUANT TO SECTION 14(a) OF THE
SECURITIES EXCHANGE ACT OF 1934**

Filed by the Registrant X

Filed by a Party other than the Registrant O

Check the appropriate box:

O Preliminary Proxy Statement

X Definitive

Proxy

Statement O

Confidential, for

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Commission Only

(as permitted by

Rule 14a-6(e)(2)) O

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Additional

Materials O

Soliciting

Material Pursuant

to §240.14a-12

LENDER PROCESSING SERVICES, INC.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

X No fee required.

O Fee computed

on table below

per Exchange Act

Rules 14a-6(i)(4)

and 0-11.

(1) Title of each

class of securities

to which

transaction

applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

Fee paid previously with preliminary materials.
 Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form,
Schedule or
Registration
Statement No.:

(3) Filing Party:

(4) Date Filed:

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**Lender Processing Services, Inc.
601 Riverside Avenue
Jacksonville, Florida 32204**

April 4, 2011

Dear Shareholder:

On behalf of the board of directors of Lender Processing Services, Inc., I cordially invite you to attend the annual meeting of shareholders of Lender Processing Services, Inc. The meeting will be held on May 19, 2011 at 10:00 a.m., Eastern Daylight Time, in the Peninsular Auditorium at 601 Riverside Avenue, Jacksonville, Florida 32204. The formal Notice of Annual Meeting and Proxy Statement for this meeting are attached to this letter.

The Notice of Annual Meeting and Proxy Statement contain more information about the annual meeting, including:

who can vote; and

the different methods you can use to vote, including the telephone, Internet and traditional paper proxy card.

Whether or not you plan to attend the annual meeting, please vote by one of these outlined methods to ensure that your shares are represented and voted in accordance with your wishes. This will help us avoid the expense of sending follow-up letters to ensure that a quorum is represented at the annual meeting, and will assure that your vote is counted if you are unable to attend.

On behalf of the board of directors, I thank you for your cooperation.

Sincerely,

Jeffrey S. Carbiener
President and Chief Executive Officer

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**Lender Processing Services, Inc.
601 Riverside Avenue
Jacksonville, Florida 32204**

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

To the Shareholders of Lender Processing Services, Inc.:

Notice is hereby given that the 2011 Annual Meeting of Shareholders of Lender Processing Services, Inc. will be held on May 19, 2011 at 10:00 a.m., Eastern Daylight Time, in the Peninsular Auditorium at 601 Riverside Avenue, Jacksonville, Florida 32204 for the following purposes:

1. to elect three Class III directors to serve until the 2014 annual meeting of shareholders or until their successors are duly elected and qualified or until their earlier death, resignation or removal;
2. to ratify the appointment of KPMG LLP as our independent registered public accounting firm for the 2011 fiscal year;
3. to approve, by non-binding vote, executive compensation;
4. to recommend, by non-binding vote, the frequency of the vote to approve executive compensation;
5. to consider and approve the Lender Processing Services, Inc. Amended and Restated 2008 Omnibus Incentive Plan; and
6. to transact such other business as may properly come before the meeting or any adjournment thereof.

The board of directors set March 21, 2011 as the record date for the meeting. This means that owners of Lender Processing Services, Inc. common stock at the close of business on that date are entitled to:

receive notice of the meeting; and

vote at the meeting and any adjournments or postponements of the meeting.

All shareholders are cordially invited to attend the meeting in person. However, even if you plan to attend the annual meeting in person, please read these proxy materials and cast your vote on the matters that will be presented at the meeting. You may vote your shares through the Internet, by telephone, or by mailing the enclosed proxy card. Instructions for our registered shareholders are described under the question **How do I vote?** on page 2 of the proxy statement.

Sincerely,

Todd C. Johnson
Executive Vice President, General

Counsel and Corporate Secretary

Jacksonville, Florida

April 4, 2011

PLEASE COMPLETE, DATE AND SIGN THE ENCLOSED PROXY AND MAIL IT PROMPTLY IN THE ENCLOSED ENVELOPE (OR VOTE VIA TELEPHONE OR INTERNET) TO ASSURE REPRESENTATION OF YOUR SHARES.

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**Lender Processing Services, Inc.
601 Riverside Avenue
Jacksonville, Florida 32204**

PROXY STATEMENT

The enclosed proxy is solicited by the board of directors of Lender Processing Services, Inc. (the Company or LPS) for use at the Annual Meeting of Shareholders to be held on May 19, 2011 at 10:00 a.m., Eastern Daylight Time, or at any adjournment thereof, for the purposes set forth herein and in the accompanying Notice of Annual Meeting of Shareholders. The meeting will be held in the Peninsular Auditorium at 601 Riverside Avenue, Jacksonville, Florida 32204.

It is anticipated that such proxy, together with this proxy statement, will be first mailed on or about April 4, 2011 to all shareholders entitled to vote at the meeting.

The Company's principal executive offices are located at 601 Riverside Avenue, Jacksonville, Florida 32204, and its telephone number at that address is (904) 854-5100.

GENERAL INFORMATION ABOUT THE COMPANY

Unless stated otherwise or the context otherwise requires, all references in this proxy statement to us, we, our, LPS the Company, are to Lender Processing Services, Inc., a Delaware corporation that was incorporated in December 2007 as a wholly-owned subsidiary of FIS, and its subsidiaries; all references to FIS, the former parent, or the holding company are to Fidelity National Information Services, Inc., a Georgia corporation formerly known as Certegy Inc. (Certegy), and its subsidiaries, that owned all of LPS's shares until July 2, 2008; all references to former FIS are to Fidelity National Information Services, Inc., a Delaware corporation, and its subsidiaries, prior to the Certegy merger described below; all references to old FNF are to Fidelity National Financial, Inc., a Delaware corporation that owned a majority of FIS's shares through November 9, 2006; and all references to FNF are to Fidelity National Financial, Inc. (formerly known as Fidelity National Title Group, Inc.), formerly a subsidiary of old FNF.

Prior to July 2, 2008, the Company was a wholly-owned subsidiary of FIS. In October 2007, the board of directors of FIS approved a plan of restructuring pursuant to which FIS would spin off its lender processing services segment to its shareholders in a tax free distribution. Pursuant to this plan of restructuring, on June 16, 2008, FIS contributed to us all of its interest in the assets, liabilities, businesses and employees related to FIS's lender processing services operations in exchange for a certain number of shares of our common stock and \$1,585.0 million aggregate principal amount of our debt obligations. On July 2, 2008, FIS distributed to its shareholders a dividend of one-half share of our common stock, par value \$0.0001 per share, for each issued and outstanding share of FIS common stock held on June 24, 2008, which we refer to as the spin-off. Also on July 2, 2008, FIS exchanged 100% of our debt obligations for a like amount of FIS's existing Tranche B Term Loans issued under its Credit Agreement dated as of January 18, 2007. The spin-off was tax-free to FIS and its shareholders, and the debt-for-debt exchange undertaken in connection with the spin-off was tax-free to FIS.

FIS is the result of the February 2006 merger of Certegy Inc. and former FIS, which we refer to as the Certegy merger. Certegy, Inc. survived the merger and was renamed Fidelity National Information Services, Inc. Prior to the Certegy merger, former FIS was a majority-owned subsidiary of old FNF. Old FNF merged into our former parent in November 2006 as part of a reorganization, which included old FNF's spin-off of Fidelity National Title Group, Inc. Fidelity National Title Group, Inc. was renamed Fidelity National Financial, Inc. following this reorganization, and we refer to it as FNF.

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GENERAL INFORMATION ABOUT THE ANNUAL MEETING

Your shares can be voted at the annual meeting only if you vote by proxy or if you are present and vote in person. Even if you expect to attend the annual meeting, please vote by proxy to assure that your shares will be represented.

Who is entitled to vote?

All record holders of LPS common stock as of the close of business on March 21, 2011 are entitled to vote. On that day, 86,344,646 shares were issued and outstanding and eligible to vote, and there were 8,338 shareholders of record. Each share is entitled to one vote on each matter presented at the annual meeting.

What shares are covered by the proxy card?

The proxy card covers all shares held by you of record (i.e., shares registered in your name), and any shares held for your benefit in LPS's 401(k) plan and Employee Stock Purchase Plan.

What if I am a beneficial holder rather than an owner of record?

If you hold your shares through a broker, bank, or other nominee, you will receive separate instructions from the nominee describing how to vote your shares.

How do I vote?

There are three ways to vote by proxy, other than by attending the annual meeting and voting in person:

by mail, using the enclosed proxy card and return envelope;

by telephone, using the telephone number printed on the proxy card and following the instructions on the proxy card; or

by Internet, using a unique password printed on your proxy card and following the instructions on the proxy card.

What does it mean to vote by proxy?

It means that you give someone else the right to vote your shares in accordance with your instructions. In this case, we are asking you to give your proxy to the Executive Chairman of our board of directors and our President and Chief Executive Officer, who are sometimes referred to as the proxy holders. By giving your proxy to the proxy holders, you assure that your vote will be counted even if you are unable to attend the annual meeting. If you give your proxy but do not include specific instructions on how to vote on a particular proposal described in this proxy statement, the proxy holders will vote your shares in accordance with the recommendation of the board for such proposal.

On what am I voting?

You will be asked to consider five proposals at the annual meeting.

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Proposal No. 1 asks you to elect three Class III directors to serve until the 2014 annual meeting of shareholders.

Proposal No. 2 asks you to ratify the appointment of KPMG LLP as the Company's independent registered public accounting firm for the 2011 fiscal year.

Proposal No. 3 asks you to approve, by non-binding vote, the Company's executive compensation.

Proposal No. 4 asks you to recommend, by non-binding vote, the frequency of the advisory vote to approve executive compensation.

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Proposal No. 5 asks you to approve the Lender Processing Services, Inc. Amended and Restated 2008 Omnibus Incentive Plan, or the *omnibus plan*.

What happens if other matters are raised at the meeting?

Although we are not aware of any matters to be presented at the annual meeting other than those contained in the Notice of Annual Meeting, if other matters are properly raised at the meeting in accordance with the procedures specified in LPS's certificate of incorporation and bylaws, all proxies given to the proxy holders will be voted in accordance with their best judgment.

What if I submit a proxy and later change my mind?

If you have submitted your proxy and later wish to revoke it, you may do so by doing one of the following: giving written notice to the Corporate Secretary; submitting another proxy bearing a later date (in any of the permitted forms); or casting a ballot in person at the annual meeting.

Who will count the votes?

Broadridge Investor Communications Services will serve as proxy tabulator and count the votes, and the results will be certified by the inspector of election.

How many votes must each proposal receive to be adopted?

The following votes must be received:

For Proposal No. 1 regarding the election of directors, the three people receiving the largest number of votes cast at the annual meeting will be elected as directors.

For Proposal No. 2 regarding the ratification of KPMG LLP and Proposal No. 3 regarding the approval of executive compensation, under Delaware law the affirmative vote of a majority of the shares present or represented by proxy and entitled to vote would be required for approval.

For Proposal No. 4 regarding frequency of the advisory vote on executive compensation, the frequency receiving the greatest number of votes (every one, two or three years) will be considered the frequency recommended by shareholders.

For Proposal No. 5 regarding the approval of the omnibus plan, under Delaware law and in order to satisfy the requirements of Section 162(m) of the Internal Revenue Code, the affirmative vote of a majority of the shares present or represented by proxy and entitled to vote would be required for approval. Additionally, in order to satisfy the listing standards of the New York Stock Exchange (the "NYSE"), the total vote cast with respect to the proposal concerning the omnibus plan must represent more than 50% of the total number of shares entitled to vote on the proposal, and a majority of the shares voted must be voted in favor of the proposal.

What constitutes a quorum?

A quorum is present if a majority of the outstanding shares of common stock entitled to vote is represented. Broker non-votes and abstentions will be counted for purposes of determining whether a quorum is present.

What are broker non-votes?

Broker non-votes occur when nominees, such as banks and brokers holding shares on behalf of beneficial owners, do not receive voting instructions from the beneficial holders at least ten days before the meeting. If that happens, the nominees may vote those shares only on matters deemed routine by the NYSE, such as Proposal No. 2 regarding ratification of auditors. The board of directors has determined that Proposals Nos. 1, 3, 4 and 5 are non-routine matters. Nominees cannot vote on non-routine matters if they do not receive voting instructions from beneficial holders, resulting in so-called broker non-votes. **Please be sure to give specific voting instructions to your broker so that your vote can be counted.**

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What effect does an abstention have?

With respect to Proposal No. 1 and Proposal No. 4, abstentions or directions to withhold authority will not be included in vote totals and will not affect the outcome of the vote. For purposes of the Delaware law requirement that Proposal No. 2, Proposal No. 3 and Proposal No. 5 receive the affirmative vote of a majority of the shares present or represented by proxy and entitled to vote, abstentions will have the effect of a vote against the proposals. With respect to Proposal No. 5, an abstention or direction to withhold authority is a vote cast for purposes of the NYSE listing standard that requires that the total vote cast on Proposal No. 5 must represent over 50% of the total number of shares entitled to vote on the proposal.

Who pays the cost of soliciting proxies?

We pay the cost of the solicitation of proxies, including preparing and mailing the Notice of Annual Meeting of Shareholders, this proxy statement and the proxy card. Following the mailing of this proxy statement, directors, officers and employees of the Company may solicit proxies by telephone, facsimile transmission or other personal contact. Such persons will receive no additional compensation for such services. Brokerage houses and other nominees, fiduciaries and custodians who are holders of record of shares of common stock will be requested to forward proxy soliciting material to the beneficial owners of such shares and will be reimbursed by the Company for their charges and expenses in connection therewith at customary and reasonable rates. In addition, the Company has retained Georgeson Inc. to assist in the solicitation of proxies for an estimated fee of \$10,000, plus reimbursement of expenses.

What if I share a household with another shareholder?

We have adopted a procedure approved by the Securities and Exchange Commission called householding. Under this procedure, shareholders of record who have the same address and last name and do not participate in electronic delivery of proxy materials will receive only one copy of our annual report and proxy statement unless one or more of these shareholders notifies us that they wish to continue receiving individual copies. This procedure will reduce our printing costs and postage fees. Shareholders who participate in householding will continue to receive separate proxy cards. Also, householding will not in any way affect dividend check mailings. If you are eligible for householding, but you and other shareholders of record with whom you share an address currently receive multiple copies of our annual reports and/or proxy statements, or if you hold stock in more than one account, and in either case you wish to receive only a single copy of the annual report or proxy statement for your household, please contact our transfer agent, Computershare Investor Services (in writing: 250 Royall Street, Canton, Massachusetts 02021; or by telephone: (866) 299-4219). If you participate in householding and wish to receive a separate copy of the 2010 Annual Report or this proxy statement, or if you do not wish to participate in householding and prefer to receive separate copies of future annual reports and/or proxy statements, please contact Computershare Investor Services as indicated above. Beneficial shareholders can request information about householding from their banks, brokers or other holders of record. The Company hereby undertakes to deliver promptly, upon written or oral request, a separate copy of the annual report to shareholders or proxy statement, as applicable, to a Company shareholder at a shared address to which a single copy of the document was delivered.

CERTAIN INFORMATION ABOUT OUR DIRECTORS

The following paragraphs provide information as of the date of this proxy statement about each nominee for director, and each director continuing in office. The information presented includes their ages, years of service on our board, business experience and service on other public companies' boards of directors, including any such directorships held during the past five years. We have also included information about each nominee's and each continuing director's specific experience, qualifications, attributes or skills that led the board to conclude, at the time we filed our proxy

statement in light of our business and structure, that such nominee or continuing director should serve on our board.

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The names of the nominees for election as directors of the Company and certain biographical information concerning each of them is set forth below:

Name	Position with LPS	Age(1)	Director Since
Lee A. Kennedy	Director Executive Chairman of the Board	60	2008
Philip G. Heasley	Director Member of the Compensation Committee and the Corporate Governance and Nominating Committee	61	2009
Susan E. Lester	Director Member of the Audit Committee	54	2010

(1) As of April 1, 2011.

Lee A. Kennedy. Lee A. Kennedy has served as a director of our Company since May 2008, as Chairman of our board since March 2009, and as our Executive Chairman since September 2009. Mr. Kennedy also serves as Chairman of Ceridian Corporation, a position he has held since January 2010, and served as interim Chief Executive Officer of Ceridian from January 2010 until August 2010. Mr. Kennedy served as President and Chief Executive Officer of our former parent FIS from the time of the Certegy merger in February 2006 until October 2009, and as Executive Vice Chairman of FIS from October 2009 through February 2010. Prior to the Certegy merger in February 2006, Mr. Kennedy had served as the Chief Executive Officer of Certegy since March 2001 and as the Chairman of Certegy since February 2002. Prior to that, he served as President, Chief Operating Officer and a director of Equifax Inc., a provider of consumer credit and other business information, from June 1999 until Certegy was spun off from Equifax in June 2001. Mr. Kennedy also serves as the non-executive Chairman of the board of directors of Ceridian Corporation, and has served on the boards of directors of FIS and Equifax Inc. in the past five years. In determining that Mr. Kennedy should serve as a director, our board considered the deep knowledge and understanding of our operations and our industry he gained as President and Chief Executive Officer of our former parent. The board also believes that, as a result of Mr. Kennedy's longtime service as a leader of a complex business organization, he can provide the board with valuable insight into the challenges the Company may face as it grows and continues to operate in a regulated industry and can contribute to our vision for our long-term strategy and success.

Philip G. Heasley. Philip G. Heasley has served as a director of our Company since March 2009. Mr. Heasley has served as the President and CEO of ACI Worldwide, Inc., a global provider of electronic payment solutions to financial institutions, since May 2005. From 2003 until May 2005, he served as Chairman and Chief Executive Officer of Paypower LLC. Prior to that, Mr. Heasley served as Chairman and Chief Executive Officer of First USA Bank from 2000 to 2003. Before First USA, Mr. Heasley spent 13 years in executive positions at U.S. Bancorp, including six years as Vice Chairman and two years as President and Chief Operating Officer. Mr. Heasley served on the board of directors of FNF from October 2005 until March 2009, and served on the board of old FNF from 2000 until it was merged into FIS in November 2006. Mr. Heasley also serves as a director of ACI Worldwide, Inc. and Tier Technologies, Inc., and formerly served on the boards of Kinterra, Inc. and Ohio Casualty Corporation. In addition, since April 2008, Mr. Heasley has served on the National Infrastructure Advisory Council, which provides the President of the United States, through the Secretary of Homeland Security, with advice on the security of the

critical infrastructure sectors and their information systems. In determining that Mr. Heasley should serve as a director, our board considered his experience as chief executive of a company that provides technology services to financial institutions and his experience as an executive of large financial institutions, and his resulting ability to understand our customer base and the unique issues surrounding those relationships. In addition, the board considered Mr. Heasley's historical understanding of certain of our businesses that were formerly old FNF businesses, which he acquired as a director of old FNF.

Susan E. Lester. Susan E. Lester has served as a director of our Company since December 2010, and has been a private investor since May 2002. Ms. Lester served as Chief Financial Officer of Homeside Lending, Inc., a

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mortgage bank, from October 2001 to May 2002. Prior to that, Ms. Lester served as Chief Financial Officer of U.S. Bancorp, a commercial bank, from February 1996 to May 2000. Ms. Lester also serves as a director of PacWest Bancorp and Arctic Cat Inc., and formerly served on the board of Bremer Investment Funds, Inc. In determining that Ms. Lester should serve as a director, our board considered her high level of financial expertise and extensive knowledge of accounting issues and senior leadership, which we believe provide a strong foundation for her service on our Audit Committee. Our board also considered her significant experience working for and knowledge of banking organizations, which helps her to understand our customers and our industry.

Information About Our Directors Continuing in Office**Term Expiring 2012**

Name	Position with LPS	Age(1)	Director Since
David K. Hunt	Director Chairman of the Compensation Committee, Member of the Audit Committee	65	2010
James K. Hunt	Director Chairman of the Audit Committee, Member of the Compensation Committee	59	2008

(1) As of April 1, 2011.

David K. Hunt. David K. Hunt has served as a director of our Company since February 2010. Since December 2005, Mr. Hunt has been a private investor. He previously served as the non-executive Chairman of the Board of OnVantage, Inc., a provider of corporate spend management and supplier marketing technology for global professional meetings and events, from October 2004 until December 2005. Prior to that, he served as the Chairman and Chief Executive Officer of PlanSoft Corporation, an internet-based business-to-business solutions provider in the meeting and convention industry, a position he held from May 1999 to October 2004. Mr. Hunt also serves on the board of directors of our former parent, FIS, where he serves as a member of both the audit and compensation committees. In determining that Mr. Hunt should serve as a director, our board considered his long familiarity with our businesses and industry which he acquired as a director of FIS prior to the spin-off. The board also considered Mr. Hunt's experience on the audit and compensation committees of FIS and his familiarity with the responsibilities of those committees and the issues they consider, which we believe enhances his ability to more effectively serve on the audit and compensation committees of our board.

James K. Hunt. James K. Hunt has served as a director of our Company since May 2008. He served as a director of FIS from April 2006 until the spin-off date. Mr. Hunt has served as Chairman of the Board, Chief Executive Officer and Chief Investment Officer of THL Credit, Inc., an externally-managed, non-diversified closed-end management investment company, and of THL Credit Advisors, a registered investment advisor that provides administrative services to THL Credit, Inc., since April 2010. He has also served as Chief Executive Officer and Chief Investment Officer of THL Credit Group, L.P., which provides capital to public and private companies for growth, recapitalizations, leveraged buyouts and acquisitions, since May 2007. THL Credit Advisors, THL Credit, Inc. and THL Credit Group, L.P. are each affiliates of Thomas H. Lee Partners, L.P. Previously, Mr. Hunt founded and was CEO and Managing Partner of Bison Capital Asset Management, LLC, a private equity firm, since 2001. Prior to founding Bison Capital, Mr. Hunt was the President of SunAmerica Corporate Finance and Executive Vice President

of SunAmerica Investments (subsequently, AIG SunAmerica). Mr. Hunt also serves as a director of THL Credit, Inc., and formerly served on the boards of Primus Guaranty, Ltd. and our former parent FIS. In determining that Mr. Hunt should serve as a director, our board considered his experience in managing financial services companies and in capital markets. The board also considered Mr. Hunt's experience in overseeing the management of significantly leveraged companies in which his private equity firms have invested, and his ability to understand the issues we may face as a result of our significant debt under our credit agreement and senior notes.

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Name	Position with LPS	Age(1)	Director Since
Jeffrey S. Carbiener	Director President and Chief Executive Officer	48	2009
Alvin R. (Pete) Carpenter	Director Lead Director, Chairman of the Corporate Governance and Nominating Committee, Member of the Compensation Committee	69	2009
John F. Farrell, Jr.(2)	Director Member of the Audit and Corporate Governance and Nominating Committees	73	2009

(1) As of April 1, 2011.

(2) Mr. Farrell will retire from the Audit Committee in connection with the annual meeting of shareholders, and will retire from the board and the Corporate Governance and Nominating Committee on December 31, 2011.

Jeffrey S. Carbiener. Jeffrey S. Carbiener has served as our President and Chief Executive Officer since the spin-off and has served as a director since March 2009. He served as Executive Vice President and Chief Financial Officer of FIS, our former parent, from February 2006 until the spin-off, and served as the Executive Vice President and Group Executive, Check Services of Certegy from June 2001 until the time of the Certegy merger in February 2006. Prior to joining Certegy, Mr. Carbiener served as Senior Vice President, Equifax Check Solutions, a unit of Equifax Inc., from February 1998 until June 2001. In determining that Mr. Carbiener should serve as a director, our board considered the deep knowledge and understanding of our operations and our industry that Mr. Carbiener has obtained as our Chief Executive Officer, as well as through his service in leadership positions with FIS, Certegy and Equifax. Our board believes that Mr. Carbiener has demonstrated integrity, values and good judgment in the leadership positions in which he has served, and believes those qualities make him well-suited to provide thoughtful and well-reasoned input as a member of our board of directors.

Alvin R. (Pete) Carpenter. Mr. Carpenter has served as a director of our Company since April 2009 and as our lead director since February 2010. Mr. Carpenter retired from CSX Corporation (CSX) in February 2001, where he had served as Vice Chairman from July 1999 until his retirement. From 1962 until February 2001, he held a variety of positions with CSX, including President and Chief Executive Officer of CSX Transportation, Inc. from 1992 to July 1999, and Executive Vice President Sales and Marketing of CSX Transportation, Inc. from 1989 to 1992. Mr. Carpenter also serves on the boards of directors of PSS World Medical, Inc., Regency Centers Corporation and Stein Mart, Inc., and previously served on the boards of Barnett Bank, Inc., Nations Bank and Florida Rock Industries, Inc. In determining that Mr. Carpenter should serve as a director, our board considered his extensive experience operating a complex and decentralized business organization. The board also considered Mr. Carpenter's experience serving on the boards of banking companies, which helps him to understand our customers and industry, and his service on other public company boards of directors and their committees, which we believe enhances his ability to more effectively serve on our board of directors and the committees on which he serves.

John F. Farrell, Jr. John F. Farrell, Jr. has served as a director of our Company since March 2009. Mr. Farrell is a private investor and has been since 1997. From 1985 through 1997 he was Chairman and Chief Executive Officer of

North American Mortgage Company. Mr. Farrell served on the board of directors of FNF from October 2005 until March 2009, and served on the board of old FNF from 2000 until it was merged into FIS in November 2006. In determining that Mr. Farrell should serve as a director, our board considered his long experience as chief executive of a mortgage company and the knowledge of our industry and customers that he acquired through that service. The board also considered Mr. Farrell's historical understanding of certain of our businesses that were formerly old FNF businesses, which he acquired as a director of old FNF.

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PROPOSAL NO. 1:

ELECTION OF DIRECTORS

The Certificate of Incorporation of the Company provides that our board shall consist of not less than one nor more than fourteen directors. Our board determines the number of directors within these limits, and the current number of directors is set at eight. Our directors are divided into three classes, each class as nearly equal in number as possible. The term of office of only one class of directors expires in each year. The directors elected at this annual meeting will hold office for a term of three years or until their successors are elected and qualified.

At this annual meeting, the following persons, each of whom is a current director of the Company, have been nominated to stand for election to the board for a three-year term expiring in 2014:

Lee A. Kennedy
Philip G. Heasley
Susan E. Lester

The board believes that each of the nominees will stand for election and will serve if elected as a director.

THE BOARD RECOMMENDS THAT THE SHAREHOLDERS VOTE FOR EACH OF THE LISTED NOMINEES.

PROPOSAL NO. 2:

**RATIFICATION OF INDEPENDENT REGISTERED
PUBLIC ACCOUNTING FIRM**

General Information About KPMG LLP

Although shareholder ratification of the appointment of our independent registered public accounting firm is not required by our bylaws or otherwise, we are submitting the selection of KPMG LLP to our shareholders for ratification as a matter of good corporate governance practice. Even if the selection is ratified, the audit committee in its discretion may select a different independent registered public accounting firm at any time if it determines that such a change would be in the best interests of LPS and our shareholders. If our shareholders do not ratify the audit committee's selection, the audit committee will take that fact into consideration, together with such other factors it deems relevant, in determining its next selection of our independent registered public accounting firm.

In choosing our independent registered public accounting firm, our audit committee conducts a comprehensive review of the qualifications of those individuals who will lead and serve on the engagement team, the quality control procedures the firm has established, and any issue raised by the most recent quality control review of the firm. The review also includes matters required to be considered under the SEC rules on Auditor Independence, including the nature and extent of non-audit services, to ensure that they will not impair the independence of the accountants.

Representatives of KPMG LLP are expected to be present at the annual meeting. These representatives will have an opportunity to make a statement if they so desire and will be available to respond to appropriate questions.

Principal Accounting Fees and Services

The audit committee has engaged KPMG LLP to audit the consolidated financial statements of the Company for the 2011 fiscal year. For services rendered to us during or in connection with our fiscal years ended December 31, 2010 and 2009, we were billed the following fees by KPMG:

	2010 (In thousands)	2009 (In thousands)
Audit Fees	\$ 1,545	\$ 1,475
Audit-Related Fees	265	179
Tax Fees	4	
All Other Fees		

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Audit Fees. Audit fees consisted principally of fees for the audits and other filings related to the Company's 2010 and 2009 audits, and audits of the Company's subsidiaries required for regulatory reporting purposes, including billings for out-of-pocket expenses incurred.

Audit-Related Fees. Audit-related fees in 2010 and 2009 consisted principally of fees for SAS 70 attestations, including billings for out-of-pocket expenses incurred.

Tax Fees. Tax fees in 2010 consisted principally of fees for preparation of the Form 5500 for the Company's health and welfare benefit plan.

All Other Fees. We were not billed for any other fees in 2010.

Approval of Accountants' Services

In accordance with the requirements of the Sarbanes-Oxley Act of 2002, all audit and audit-related work and all non-audit work performed by KPMG LLP is approved in advance by the audit committee, including the proposed fees for such work. The audit committee has adopted policies and procedures for pre-approving all work performed by KPMG. Specifically, the audit committee has pre-approved the use of KPMG for specific types of services subject to maximum amounts set by the committee. Additionally, specific pre-approval authority is delegated to our audit committee chairman, provided that the estimated fee for the proposed service does not exceed a pre-approved maximum amount set by the committee. Our audit committee chairman must report any pre-approval decisions to the audit committee at its next scheduled meeting. Any other services are required to be pre-approved by the audit committee.

THE BOARD RECOMMENDS THAT THE SHAREHOLDERS VOTE FOR THE RATIFICATION OF KPMG LLP AS THE COMPANY'S INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM FOR THE 2011 FISCAL YEAR.

PROPOSAL NO. 3: ADVISORY VOTE ON EXECUTIVE COMPENSATION

The Dodd-Frank Wall Street Reform and Consumer Protection Act, or *the Dodd-Frank Act*, enacted in July 2010, requires that we provide our shareholders with the opportunity to vote to approve, on a non-binding advisory basis, the compensation of our named executive officers as disclosed in this proxy statement in accordance with the compensation disclosure rules of the Securities and Exchange Commission.

As described in detail under the heading "Compensation Discussion and Analysis and Executive and Director Compensation," we seek to closely align the interests of our named executive officers with the interests of our shareholders. Our compensation programs are designed to reward our named executive officers for the achievement of short-term and long-term strategic and operational goals and the achievement of increased total shareholder return, while at the same time avoiding the encouragement of unnecessary or excessive risk-taking.

The vote on this resolution is not intended to address any specific element of compensation. Instead, the vote relates to the compensation of our named executive officers, as described in this proxy statement in accordance with the compensation disclosure rules of the SEC. The vote is advisory, which means that the vote is not binding on the Company, our board of directors or the compensation committee of our board and will not require us to take any action. The final decision on the compensation of our named executive officers remains with our compensation committee and the board, although the compensation committee and the board will consider the outcome of this vote when making compensation decisions.

Accordingly, we ask our shareholders to vote on the following resolution at the Annual Meeting:

RESOLVED, that the Company's shareholders approve, on an advisory basis, the compensation of the named executive officers, as disclosed in the Company's Proxy Statement for the 2011 Annual Meeting of Shareholders pursuant to the compensation disclosure rules of the Securities and Exchange Commission, including the Compensation Discussion and Analysis, the 2010 Summary Compensation Table and the other related tables and disclosure.

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THE BOARD OF DIRECTORS RECOMMENDS THAT THE SHAREHOLDERS VOTE FOR THE APPROVAL OF THE COMPENSATION OF OUR NAMED EXECUTIVE OFFICERS, AS DISCLOSED IN THIS PROXY STATEMENT.

PROPOSAL NO. 4: RECOMMENDATION ON THE FREQUENCY OF EXECUTIVE COMPENSATION ADVISORY VOTES

The Dodd-Frank Act also provides that shareholders must be given the opportunity to vote, on a non-binding advisory basis, for their preference as to how frequently we should seek future advisory votes on the compensation of our named executive officers as disclosed in accordance with the compensation disclosure rules of the Securities and Exchange Commission, which we refer to as an advisory vote on executive compensation. By voting with respect to this Proposal No. 4, shareholders may indicate whether they would prefer that we conduct future advisory votes on executive compensation once every one, two or three years. Shareholders also may, if they wish, abstain from casting a vote on this proposal.

Our board of directors has determined that an annual advisory vote on executive compensation will allow our shareholders to provide timely, direct input on the Company's executive compensation philosophy, policies and practices as disclosed in the proxy statement each year. The board believes that an annual vote is therefore consistent with the Company's efforts to engage in an ongoing dialogue with our shareholders on executive compensation and corporate governance matters.

We recognize that our shareholders may have different views as to the best approach for the Company, and therefore we look forward to hearing from our shareholders as to their preferences on the frequency of an advisory vote on executive compensation. This vote is advisory and not binding on the Company or our board of directors in any way. The board of directors and the compensation committee will take into account the outcome of the vote, however, when considering the frequency of future advisory votes on executive compensation. The board may decide that it is in the best interests of our shareholders and the Company to hold an advisory vote on executive compensation more or less frequently than the frequency receiving the most votes cast by our shareholders.

The proxy card provides shareholders with the opportunity to choose among four options (holding the advisory vote on executive compensation every one, two or three years, or abstaining). Shareholders will not be voting to approve or disapprove the recommendation of the board of directors.

THE BOARD OF DIRECTORS RECOMMENDS THAT THE SHAREHOLDERS VOTE FOR THE OPTION OF ONCE EVERY YEAR AS THE PREFERRED FREQUENCY FOR ADVISORY VOTES ON EXECUTIVE COMPENSATION.

PROPOSAL NO. 5: APPROVAL OF THE LENDER PROCESSING SERVICES, INC. AMENDED AND RESTATED 2008 OMNIBUS INCENTIVE PLAN

Purpose of the Plan and Description of the Proposal

Our board of directors has adopted and recommends that our shareholders approve the Lender Processing Services, Inc. Amended and Restated 2008 Omnibus Incentive Plan, or *omnibus plan*. The primary purpose of the amendments to the omnibus plan is to increase the authorized shares available for issuance under the plan by 4,700,000 shares in order to assure that we have adequate means to provide equity incentive compensation to our employees on a going-forward basis. The omnibus plan was approved by our board of directors and by FIS, as our former parent, prior to the spin-off, and became effective on July 1, 2008. Subsequently, our shareholders approved the omnibus plan on

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May 28, 2009. As of March 21, 2011, the record date, there were approximately 2,657,486 shares previously authorized under the omnibus plan which remain available for grant.

Grants under the omnibus plan may be made in the form of stock options, stock appreciation rights, which we refer to as *SARs*, restricted stock, restricted stock units, which we refer to as *RSUs*, performance shares, performance units, and other cash or stock-based awards. Following approval of the amendment and restatement, the omnibus plan will authorize awards in respect of 18,700,000 shares of our common stock (which includes 4,700,000 newly authorized shares and 2,657,486 shares which were previously authorized under the omnibus plan but not granted as of March 21, 2011). All of the 18,700,000 shares authorized under the plan are available for grants of full-value

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awards, meaning awards other than stock options, stock appreciation rights or other awards for which the recipient pays the exercise price.

Shareholder approval of the omnibus plan will allow incentive awards paid thereunder to qualify as deductible performance-based compensation within the meaning of Section 162(m) of the Internal Revenue Code.

Section 162(m) of the Internal Revenue Code places a limit of \$1,000,000 on the amount we may deduct in any one year for compensation paid to our chief executive officer and each of our other three most highly-paid executive officers other than our chief financial officer. There is, however, an exception to this limit for certain performance-based compensation. Awards made pursuant to the omnibus plan may constitute performance-based compensation not subject to the deductibility limitation of Section 162(m) of the Internal Revenue Code. However, in order to qualify for this exception, shareholders must approve the material terms of the performance goals of the omnibus plan under which compensation will be paid.

The material terms of the performance goals being submitted for approval for purposes of Section 162(m) of the Internal Revenue Code include (i) the employees eligible to receive awards under the omnibus plan, (ii) a description of the business criteria on which the performance goals are based, and (iii) the maximum amount that may be granted or paid to any employee in any one year with respect to awards that are intended to meet the exception to the tax deduction limitations contained in Section 162(m) of the Internal Revenue Code. This information is provided in the description of the omnibus plan below.

We had 7,683,414 stock options outstanding as of March 21, 2011, with a weighted average exercise price of \$33.11 and a weighted average remaining term of 4.3 years. We also had 1,029,567 full-value awards outstanding in the form of restricted stock as of March 21, 2011. On March 21, 2011, the fair market value of a share of our common stock was \$32.61 per share and we had 2,657,486 shares remaining available for grant under the omnibus plan.

The future benefits that will be received under the plan by particular individuals or groups are not determinable at this time. The following information concerning holdings by our executive officers, directors and employees under the omnibus plan is as of March 21, 2011. As of that date, our continuing named executive officers had the following number of options and restricted shares outstanding under the plan: Lee A. Kennedy 261,500 options and 87,076 restricted shares; Jeffrey S. Carbiener 1,786,911 options and 237,333 restricted shares; Thomas L. Schilling 86,000 options and 40,800 restricted shares; and Daniel T. Scheuble 701,867 options and 97,560 restricted shares. All current executive officers as a group had 3,519,774 options and 612,784 restricted shares outstanding under the plan. In addition, Mr. Swenson had 692,111 options and 97,560 restricted shares and Mr. Chan had 255,500 options and 13,900 restricted shares outstanding under the omnibus plan. All current directors as a group, other than those who serve as executive officers, had 145,856 options and 27,304 restricted shares outstanding under the plan. The nominees for election as directors (other than Mr. Kennedy) had the following number of options outstanding under the plan: Philip G. Heasley 25,400 options and 5,466 restricted shares; and Susan E. Lester 7,800 options and 2,340 restricted shares. No associates of such directors, executive officers or nominees have received options under the plan. All employees as a group, excluding our executive officers and Mr. Swenson, had 2,837,584 options and 275,289 restricted shares outstanding under the plan.

The purpose of the omnibus plan is to optimize our profitability and growth through incentives that are consistent with our goals and that link the personal interests of participants to those of our shareholders. The omnibus plan is further intended to provide us flexibility in our ability to motivate, attract and retain the services of employees, directors and consultants who make significant contributions to our success and to allow such individuals to share in our success.

Our general compensation philosophy is that long-term incentive compensation should closely align the interests of our officers, directors and key employees with the interests of our shareholders, as more fully described under

Compensation Discussion and Analysis and Executive and Director Compensation. We believe that stock options and restricted stock are very effective in enabling us to attract and retain the talent critical to operate as a leading provider of integrated technology and outsourced services to the mortgage lending industry. We believe that stock ownership focuses our key employees on improving our performance, and helps to create a culture that

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encourages employees to think and act as shareholders. Participants in our long-term incentive compensation program generally include our officers, directors and certain key employees.

We believe that our equity programs and our emphasis on employee stock are integral to our ability to achieve our corporate performance goals in the years ahead. We believe that the ability to attract, retain and motivate talented employees is critical to long-term company performance and shareholder returns. We believe that the omnibus plan will enable us to continue to align executive and shareholder interests consistent with our long-term incentive compensation philosophy. For these reasons, we consider approval of the omnibus plan important to our future success.

Description of the Omnibus Plan

The complete text of the omnibus plan is set forth as Annex A hereto. The following is a summary of the material features of the omnibus plan and is qualified in its entirety by reference to Annex A.

Effective Date and Duration

If approved by our shareholders, the omnibus plan, as amended and restated, will become effective on May 19, 2011, and will authorize the granting of awards for up to ten years. The omnibus plan will remain in effect with respect to outstanding awards until no awards remain outstanding.

Amendment and Termination

The omnibus plan may be amended or terminated by our board at any time, subject to certain limitations, and, subject to limitations under the plan, the awards granted under the plan may be amended by the compensation committee of our board of directors at any time, provided that no such action to the plan or an award may, without a participant's written consent, adversely affect in any material way any previously granted award. No amendment that would require shareholder approval under the NYSE's listing standards or to comply with the securities laws may become effective without shareholder approval.

Administration of the Omnibus Plan

The omnibus plan will be administered by our compensation committee or another committee selected by our board, any of which we refer to as the committee. The members of the committee are appointed from time to time by, and serve at the discretion of, the board. The committee has the full power to select employees, directors and consultants who will participate in the plan; determine the size and types of awards; determine the terms and conditions of awards; construe and interpret the omnibus plan and any award agreement or other instrument entered into under the omnibus plan; establish, amend and waive rules and regulations for the administration of the omnibus plan; and, subject to certain limitations, amend the terms and conditions of outstanding awards. The committee's determinations and interpretations under the omnibus plan are binding on all interested parties. The committee is empowered to delegate its administrative duties and powers as it may deem advisable, to the extent permitted by law.

Shares Subject to the Omnibus Plan

Awards under the omnibus plan may be made in LPS common stock. The maximum number of shares with respect to which new awards may be granted under the plan is 18,700,000 (which includes 4,700,000 newly authorized shares and 2,657,486 shares which were previously authorized under the omnibus plan but not granted as of March 21, 2011). All of these shares may be issued pursuant to incentive stock options, and all of the shares are available for grants as full value awards.

If an award under the omnibus plan is canceled, forfeited, expires or otherwise terminates or is settled in cash, the shares related to that award will not be treated as having been delivered under the omnibus plan.

For purposes of determining the number of shares available for grant as incentive stock options, only shares that are subject to an award that expires or is cancelled, forfeited or settled in cash shall be treated as not having been issued under the omnibus plan.

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In the event of any equity restructuring, such as a stock dividend, stock split, spin-off, rights offering or recapitalization through a large, nonrecurring cash dividend, the committee shall cause an equitable adjustment to be made (i) in the number and kind of shares of our common stock that may be delivered under the omnibus plan, (ii) in the individual annual limitations on each type of award under the omnibus plan, and (iii) with respect to outstanding awards, in the number and kind of shares subject to outstanding awards, the exercise price, grant price or other price of shares subject to outstanding awards, any performance conditions relating to shares, the market price of shares, or per share results, and other terms and conditions of outstanding awards, in the case of (i), (ii) and (iii) to prevent dilution or enlargement of rights. In the event of any other change in corporate capitalization, such as a merger, consolidation or liquidation, the committee may, in its sole discretion, cause an equitable adjustment as described in the foregoing sentence to be made, to prevent dilution or enlargement of rights.

Share Counting

The omnibus plan does not permit shares that are held back, tendered or returned to cover the exercise price or tax withholding obligations with respect to an award to be available for future grants under the plan, nor does it permit us to use the cash proceeds from option exercises to repurchase shares on the open market for reuse in the plan. Any SARs issued under the omnibus plan will be counted as one share issued regardless of whether the Company issues net shares to the participant.

Repricing

Neither LPS nor our compensation committee may (i) reduce the exercise price of outstanding options (except to the extent described above in the event of an equity restructuring or other change in corporate capitalization), (ii) cancel options and grant substitute options with a lower exercise price, or (iii) purchase outstanding underwater options from participants for cash.

Eligibility and Participation

Eligible participants include all employees, directors and consultants of LPS and our subsidiaries, as determined by the committee. Currently this group includes approximately 100 executives and other key employees, our six outside directors and one consultant.

Limitations on Awards under the Omnibus Plan

With respect to awards that are intended to meet the exception to the tax deduction limitations contained in Section 162(m) of the Internal Revenue Code, (i) the maximum number of our shares with respect to which stock options or SARs may be granted to any participant in any fiscal year is, with respect to each type of award, 4,000,000 shares; (ii) the maximum number of our shares of restricted stock that may be granted to any participant in any fiscal year is 2,000,000 shares; (iii) the maximum number of our shares with respect to which RSUs may be granted to any participant in any fiscal year is 2,000,000 shares; (iv) the maximum number of our shares with respect to which performance shares may be granted to any participant in any fiscal year is 2,000,000 shares; (v) the maximum amount of compensation that may be paid with respect to performance units or other cash or stock-based awards awarded to any participant in any fiscal year is, with respect to each type of award, \$25,000,000 or a number of shares having a fair market value not in excess of that amount; and (vi) the maximum dividend or dividend equivalent that may be paid to any one participant in any one fiscal year is \$25,000,000.

Types of Awards

Following is a general description of the types of awards that may be granted under the omnibus plan. Terms and conditions of awards will be determined on a grant-by-grant basis by the committee, subject to limitations contained in the omnibus plan.

Stock Options. The committee may grant incentive stock options, which we refer to as ISOs, nonqualified stock options, which we refer to as NQSOs, or a combination thereof under the omnibus plan. The exercise price for each such award will be at least equal to 100% of the fair market value of a share of common stock on the date of grant (110% of fair market value in the case of an ISO granted to a person who owns more than 10% of the voting

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power of all classes of stock of LPS or any subsidiary). Options will expire at such times, be in respect of such number of shares and will have such other terms and conditions as the committee may determine at the time of grant; provided, however, that no option may be exercisable later than the tenth anniversary of its grant (fifth anniversary in the case of an ISO granted to a person who owns more than 10% of the voting power of all classes of stock of LPS or any subsidiary).

The exercise price of options granted under the omnibus plan may be paid in cash, by tendering previously acquired shares of common stock having a fair market value equal to the exercise price, through broker-assisted cashless exercise or any other means permitted by the committee consistent with applicable law or by a combination of any of the permitted methods.

Stock options may not be sold, transferred, pledged, assigned, or otherwise alienated or hypothecated, other than by will or by the laws of descent and distribution, and are exercisable during a participant's lifetime only by the participant. Stock options may not be transferred for consideration.

The committee may also award dividend equivalent payments in connection with a stock option.

Stock Appreciation Rights. SARs granted under the omnibus plan may be in the form of freestanding SARs (SARs granted independently of any option), tandem SARs (SARs granted in connection with a related option) or a combination thereof. The grant price of a freestanding SAR will be equal to the fair market value of a share of common stock on the date of grant. The grant price of a tandem SAR will be equal to the exercise price of the related option.

Freestanding SARs may be exercised upon such terms and conditions as are imposed by the committee and set forth in the SAR award agreement. A tandem SAR may be exercised only with respect to the shares of common stock for which its related option is exercisable.

Upon exercise of a SAR, a participant will receive the product of the excess of the fair market value of a share of common stock on the date of exercise over the grant price multiplied by the number of shares with respect to which the SAR is exercised. Payment upon SAR exercise may be in cash, in shares of common stock of equivalent value, or in some combination of cash and shares, as determined by the committee. The committee may also award dividend equivalent payments in connection with SARs.

Restricted Stock. Restricted stock is an award that is non-transferable and subject to a substantial risk of forfeiture until vesting conditions, which can be related to continued service or other conditions established by the committee, are satisfied. Prior to vesting, holders of restricted stock may receive dividends and voting rights. If the vesting conditions are not satisfied, the participant forfeits the shares.

Restricted Stock Units and Performance Shares. RSUs and performance shares represent a right to receive a share of common stock, an equivalent amount of cash, or a combination of shares and cash, as the committee may determine, if vesting conditions are satisfied. The initial value of an RSU or performance share granted under the omnibus plan shall be at least equal to the fair market value of our common stock on the date the award is granted. The committee may also award dividend equivalent payments in connection with such awards. RSUs may contain vesting conditions based on continued service or other conditions established by the committee. Performance shares may contain vesting conditions based on attainment of performance goals established by the committee in addition to service conditions.

Performance Units. Performance units are awards that entitle a participant to receive shares of common stock, cash or a combination of shares and cash if certain performance conditions are satisfied. The amount received depends upon the value of the performance units and the number of performance units earned, each of which is determined by the

committee. The committee may also award dividend equivalent payments in connection with such awards, although the dividend equivalents will only be paid if the performance units to which they relate are earned.

Other Cash and Stock-Based Awards. Other cash and stock-based awards are awards other than those described above, the terms and conditions of which are determined by the committee. These awards may include, without limitation, the grant of shares of our common stock based on attainment of performance goals established by the committee, the payment of shares as a bonus or in lieu of cash based on attainment of performance goals established by the committee, and the payment of shares in lieu of cash under an incentive or bonus program.

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Payment under or settlement of any such awards will be made in such manner and at such times as the committee may determine.

Dividend Equivalents. Dividend equivalents granted to participants will represent a right to receive payments equivalent to dividends with respect to a specified number of shares.

Replacement Awards. Replacement awards are awards issued in substitution of awards granted under equity-based incentive plans sponsored or maintained by an entity with which we engage in a merger, acquisition or other business transaction, pursuant to which awards relating to interests in such entity are outstanding immediately prior to such transaction. Replacement awards shall have substantially the same terms and conditions as the award it replaces; provided, however, that the number of shares, the exercise price, grant price or other price of shares, any performance conditions, or the market price of underlying shares or per-share results may differ from the awards they replace to the extent such differences are determined to be appropriate and equitable by the committee, in its sole discretion.

Performance Goals

Performance goals, which are established by the committee, will be chosen from among the following performance measures: earnings per share, economic value created, market share (actual or targeted growth), net income (before or after taxes), operating income and/or earnings before interest, taxes, depreciation and amortization, adjusted net income after capital charge, return on assets (actual or targeted growth), return on capital (actual or targeted growth), return on equity (actual or targeted growth), return on investment (actual or targeted growth), revenue (actual or targeted growth), cash flow, operating margin, share price, share price growth, total shareholder return, and strategic business criteria consisting of one or more objectives based on meeting specified market penetration goals, productivity measures, geographic business expansion goals, cost targets, customer satisfaction or employee satisfaction goals, goals relating to merger synergies, management of employment practices and employee benefits, or supervision of litigation and information technology, and goals relating to acquisitions or divestitures of subsidiaries, affiliates or joint ventures.

The targeted level or levels of performance with respect to such performance measures may be established at such levels and on such terms as the committee may determine, in its discretion, including in absolute terms, as a goal relative to performance in prior periods, or as a goal compared to the performance of one or more comparable companies or an index covering multiple companies.

The committee may make adjustments in the terms and conditions of, and the criteria included in, awards in recognition of unusual or nonrecurring events, including, for example, events affecting us or our financial statements or changes in applicable laws, regulations, or accounting principles, whenever the committee determines that such adjustments are appropriate in order to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under the plan. With respect to any awards intended to qualify as performance-based compensation under Section 162(m) of the Internal Revenue Code, any such exception shall be specified at such times and in such manner as will not cause such awards to fail to so qualify.

Termination of Employment or Service

Each award agreement will set forth the participant's rights with respect to the award following termination of employment or service.

Change in Control

Except as otherwise provided in a participant's award agreement, upon the occurrence of a change in control (as defined below), unless otherwise specifically prohibited under applicable laws or by the rules and regulations of any governing governmental agencies or national securities exchanges, any and all outstanding options and SARs granted under the omnibus plan will become immediately exercisable (provided that the committee may also provide that these awards be immediately cashed out), any restriction imposed on restricted stock, RSUs and other awards granted under the omnibus plan will lapse, and any and all performance shares, performance units and other

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awards granted under the omnibus plan with performance conditions will be deemed earned at the target level, or, if no target level is specified, the maximum level.

For purposes of the omnibus plan, the term "change in control" is defined as the occurrence of any of the following events:

an acquisition immediately after which any person, group or entity possesses direct or indirect beneficial ownership (within the meaning of Rule 13d-3 under the Securities Exchange Act of 1934) of 25% or more of either our outstanding common stock or our outstanding voting securities, excluding any acquisition directly from us, by us, or by any of our employee benefit plans and certain other acquisitions;

during any period of two consecutive years, the individuals who, as of the beginning of such period, constituted our board, or incumbent board, cease to constitute at least a majority of the board, provided that any individual who becomes a member of our board subsequent to the beginning of such period and whose election or nomination was approved by at least two-thirds of the members of the incumbent board will be considered as though he or she were a member of the incumbent board, and provided further that any individual whose initial assumption of office occurred as a result of either an actual or threatened election contest or other actual or threatened solicitation of proxies or consents by or on behalf of a person other than the board will not be considered as though such individual were a member of the incumbent board;

the consummation of a reorganization, merger, share exchange or consolidation or sale or other disposition of all or substantially all of our assets unless (a) our shareholders immediately before the transaction continue to have beneficial ownership of more than 50% of the outstanding shares of our common stock and the combined voting power of our then outstanding voting securities resulting from the transaction in substantially the same proportions as their ownership immediately prior to the transaction of our common stock and outstanding voting securities; (b) no person (other than us, an employee benefit plan sponsored by us or the resulting corporation, or any entity controlled by us or the resulting corporation) has beneficial ownership of 25% or more of the outstanding common stock of the resulting corporation or the combined voting power of the resulting corporation's outstanding voting securities; and (c) individuals who were members of the incumbent board continue to constitute a majority of the members of the board of directors of the resulting corporation; or

our shareholders approve a plan or proposal for the complete liquidation or dissolution of the Company.

Transferability

Awards generally will be non-transferable except upon the death of a participant, although the committee may permit a participant to transfer awards (for example, to family members or trusts for family members) subject to such conditions as the committee may establish.

Deferrals

The committee may permit the deferral of vesting or settlement of an award and may authorize crediting of dividends or interest or their equivalents in connection with any such deferral. Any such deferral and crediting will be subject to the terms and conditions established by the committee and any terms and conditions of the plan or arrangement under which the deferral is made.

Tax Withholding

We may deduct or withhold, or require a participant to remit, an amount sufficient to satisfy federal, state, local, domestic or foreign taxes required by law or regulation to be withheld with respect to any taxable event arising as a result of the omnibus plan. The committee may require or permit participants to elect that the withholding requirement be satisfied, in whole or in part, by having us withhold, or by tendering to us, shares of our common stock having a fair market value equal to the minimum withholding obligation.

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Federal Income Tax Consequences

The following is a brief description of the principal federal income tax consequences relating to options awarded under the omnibus plan. This summary is based on our understanding of present federal income tax law and regulations. The summary does not purport to be complete or applicable to every specific situation.

Consequences to the Optionholder

Grant. There are no federal income tax consequences to the optionholder solely by reason of the grant of ISOs or NQSOs under the omnibus plan.

Exercise. The exercise of an ISO is not a taxable event for regular federal income tax purposes if certain requirements are satisfied, including the requirement that the optionholder generally must exercise the ISO no later than three months following the termination of the optionholder's employment with LPS. However, such exercise may give rise to alternative minimum tax liability (see "Alternative Minimum Tax" below).

Upon the exercise of an NQSO, the optionholder will generally recognize ordinary income in an amount equal to the excess of the fair market value of the shares of common stock at the time of exercise over the amount paid therefor by the optionholder as the exercise price. The ordinary income, if any, recognized in connection with the exercise by an optionholder of an NQSO will be subject to both wage and employment tax withholding.

The optionholder's tax basis in the shares acquired pursuant to the exercise of an option will be the amount paid upon exercise plus, in the case of an NQSO, the amount of ordinary income, if any, recognized by the optionholder upon exercise thereof.

Qualifying Disposition. If an optionholder disposes of shares of common stock acquired upon exercise of an ISO in a taxable transaction, and such disposition occurs more than two years from the date on which the option was granted and more than one year after the date on which the shares were transferred to the optionholder pursuant to the exercise of the ISO, the optionholder will recognize long-term capital gain or loss equal to the difference between the amount realized upon such disposition and the optionholder's adjusted basis in such shares (generally the option exercise price).

Disqualifying Disposition. If the optionholder disposes of shares of common stock acquired upon the exercise of an ISO (other than in certain tax free transactions) within two years from the date on which the ISO was granted or within one year after the transfer of shares to the optionholder pursuant to the exercise of the ISO, at the time of disposition the optionholder will generally recognize ordinary income equal to the lesser of (i) the excess of each such share's fair market value on the date of exercise over the exercise price paid by the optionholder or (ii) the optionholder's actual gain (i.e., the excess, if any, of the amount realized on the disposition over the exercise price paid by the optionholder). If the total amount realized in a taxable disposition (including return of capital and capital gain) exceeds the fair market value on the date of exercise of the shares of common stock purchased by the optionholder under the option, the optionholder will recognize a capital gain in the amount of such excess. If the optionholder incurs a loss on the disposition (i.e., if the total amount realized is less than the exercise price paid by the optionholder), the loss will be a capital loss.

Other Disposition. If an optionholder disposes of shares of common stock acquired upon exercise of an NQSO in a taxable transaction, the optionholder will recognize capital gain or loss in an amount equal to the difference between the optionholder's basis (as discussed above) in the shares sold and the total amount realized upon disposition. Any such capital gain or loss (and any capital gain or loss recognized on a disqualifying disposition of shares of common stock acquired upon exercise of ISOs as discussed above) will be short-term or long-term depending on whether the

shares of common stock were held for more than one year from the date such shares were transferred to the optionholder.

Alternative Minimum Tax. Alternative minimum tax, or *AMT*, is payable if and to the extent the amount thereof exceeds the amount of the taxpayer's regular tax liability, and any AMT paid generally may be credited against future regular tax liability (but not future AMT liability). AMT applies to alternative minimum taxable income.

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For AMT purposes, the spread upon exercise of an ISO (but not an NQSO) will be included in alternative minimum taxable income, and the taxpayer will receive a tax basis equal to the fair market value of the shares of common stock at such time for subsequent AMT purposes. However, if the optionholder disposes of the ISO shares in the year of exercise, the AMT income generally will not exceed the gain recognized for regular tax purposes.

Consequences to LPS

There are no federal income tax consequences to LPS by reason of the grant of ISOs or NQSOs or the exercise of an ISO (other than disqualifying dispositions).

At the time the optionholder recognizes ordinary income from the exercise of an NQSO, we will be entitled to a federal income tax deduction in the amount of the ordinary income so recognized (as described above), provided that we satisfy our reporting obligations described below. To the extent the optionholder recognizes ordinary income by reason of a disqualifying disposition of the stock acquired upon exercise of an ISO, we will be entitled to a corresponding deduction in the year in which the disposition occurs.

We will be required to report to the Internal Revenue Service any ordinary income recognized by any optionholder by reason of the exercise of an NQSO or upon a disqualifying disposition of an ISO. We will be required to withhold income and employment taxes (and pay the employer's share of employment taxes) with respect to ordinary income recognized by the optionholder upon the exercise of an NQSO, but not upon a disqualifying disposition of an ISO.

Stock Appreciation Rights

A participant generally will not realize taxable income at the time a SAR is granted. Upon settlement of a SAR, the participant will recognize as ordinary income the amount of cash received or, if the right is paid in shares of our common stock, the fair market value of such shares at the time of payment. We will generally be allowed a tax deduction in the taxable year the participant includes the amount in income.

Restricted Stock

A participant generally does not realize taxable ordinary income as a result of receiving a restricted stock grant, and we are not entitled to a deduction for federal income tax purposes at the time of the grant, provided that the shares are not transferable and are subject to restrictions constituting a substantial risk of forfeiture. When the restrictions lapse, the participant will be deemed to have received taxable ordinary income equal to the fair market value of the shares underlying the award at the time of lapse. An amount equal to the compensation included in the participant's income will generally be deductible by us in the taxable year of inclusion. The participant's tax basis in the shares will be equal to the fair market value of such shares on the date the restrictions lapse. Any gain realized upon disposition of such shares is taxable as capital gain income, with the applicable tax rate depending upon, among other things, how long such shares were held following the lapse of the restrictions.

Under certain circumstances, a participant may, within thirty days after transfer of the restricted shares, irrevocably elect under Section 83(b) of the Internal Revenue Code to include in the year in which such restricted shares are transferred as gross income, the fair market value of such shares, which is determined as of the date of transfer and without regard to any restriction other than a restriction that by its terms will never lapse. A copy of this election must be provided to us. The basis of such shares will be equal to the amount included in income. The holding period for capital gains purposes begins when the shares are transferred to the participant. If such shares are forfeited before the restrictions lapse, the forfeiture will be treated as a sale or exchange and no tax deduction will be allowed for the amount included in income as a result of the original election.

Restricted Stock Units and Other Awards

Restricted stock units and other awards granted under the omnibus plan are generally not subject to tax at the time of the award but are subject to ordinary income tax at the time of payment, whether paid in cash or shares of our common stock. With respect to such awards, we generally will be allowed a tax deduction for the amount included in the taxable income of the participant in the taxable year of inclusion.

Table of Contents***Other Tax Consequences***

The foregoing discussion is not a complete description of the federal income tax aspects of awards granted under the omnibus plan. In addition, administrative and judicial interpretations of the application of the federal income tax laws are subject to change. Furthermore, the foregoing discussion does not address state or local tax consequences.

THE BOARD RECOMMENDS THAT THE SHAREHOLDERS VOTE FOR THE APPROVAL OF THE OMNIBUS PLAN.

**SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS,
DIRECTORS AND EXECUTIVE OFFICERS**

The number of our common shares beneficially owned by each individual or group is based upon information in documents filed by such person with the SEC, other publicly available information or information available to us. Percentage ownership in the following table is based on 86,344,646 shares of LPS common stock outstanding as of March 21, 2011. Unless otherwise indicated, each of the shareholders has sole voting and investment power with respect to the shares of common stock beneficially owned by that shareholder. The number of shares beneficially owned by each shareholder is determined under rules issued by the SEC.

Security Ownership of Certain Beneficial Owners

The following table sets forth information regarding beneficial ownership of our common stock by each shareholder who is known by the Company to beneficially own 5% or more of our common stock:

Name	Number of Shares Beneficially Owned	Percent of Class
Blackrock, Inc.	5,735,810(1)	6.6%
Capital World Investors	11,670,500(2)	13.5%

- (1) According to a Schedule 13G filed February 7, 2011, Blackrock, Inc., 40 East 52nd Street, New York, New York 10022, is deemed to be the beneficial owner of 5,735,810 shares as a result of various of its subsidiaries having the right to receive or the power to direct the receipt of dividends from, or the proceeds from the sale of the Company's shares. None of those subsidiaries is indicated as individually holding five percent or greater of the Company's shares.
- (2) According to a Schedule 13G/A filed February 14, 2011, Capital World Investors, a division of Capital Research Management Company (CRMC), whose address is 333 South Hope Street, Los Angeles, CA 90071, is deemed to be the beneficial owner of 11,670,500 shares as a result of CRMC acting as investment advisor to various investment companies registered under Section 8 of the Investment Company Act of 1940, of which only the American Funds Insurance Series Growth Fund is indicated as holding more than five percent of the Company's shares.

Security Ownership of Management and Directors

The following table sets forth information regarding beneficial ownership of our common stock by:

each of our directors and nominees for director;

each of the named executive officers as defined in Item 402(a)(3) of Regulation S-K promulgated by the SEC; and

all of our executive officers and directors as a group.

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The information is not necessarily indicative of beneficial ownership for any other purpose. The mailing address of each director and executive officer shown in the table below is c/o Lender Processing Services, Inc., 601 Riverside Avenue, Jacksonville, Florida 32204.

Name	Number of Shares Owned	Number of Options(1)	Total	Percent of Total
Jeffrey S. Carbiener	355,633	1,370,578	1,726,211	2.0%
Alvin R. (Pete) Carpenter	14,100	9,234	23,334	*
Thomas L. Schilling	45,800		45,800	*
John F. Farrell, Jr.	8,412	14,667	23,079	*
Philip G. Heasley	7,200	14,667	21,867	*
David K. Hunt	10,146(2)	4,567	14,713	*
James K. Hunt	7,150	41,590	48,740	*
Lee A. Kennedy	102,207(3)	138,334	240,541	*
Susan E. Lester	4,340		4,340	*
Daniel T. Scheuble	137,579	546,534	684,113	*
Francis K. Chan	60,019	255,500	315,519	*
Eric D. Swenson	119,576	692,111	811,687	*
All directors and officers (14 persons)**	898,338	2,614,437	3,512,775	4.0%

* Represents less than 1% of our common stock.

** Mr. Chan ceased to serve as an officer of the Company on October 28, 2010, and Mr. Swenson ceased to serve as an officer of the Company on March 31, 2011. Accordingly, shares and options held by them are not included in the holdings of all directors and officers as a group.

(1) Represents shares subject to stock options that are exercisable on March 21, 2011 or become exercisable within 60 days of March 21, 2011. All of Mr. Chan's options vested in connection with his departure from the Company in November 2010, and it is anticipated that all of Mr. Swenson's options will vest in connection with his departure in April 2011. Accordingly, all options held by Messrs. Chan and Swenson are included in these amounts.

(2) Included in this amount are 750 shares held by Mr. Hunt's spouse.

(3) Included in this amount are 129 shares held by Mr. Kennedy's children.

Securities Authorized for Issuance Under Equity Compensation Plans

The following table provides information as of December 31, 2010, about our common stock which may be issued under our omnibus plan, which is our only equity compensation plan:

Weighted-Average	Number of Securities Remaining
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Plan Category	Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights(a)	Exercise Price of Outstanding Options, Warrants and Rights	Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in Column (a))(1)
Equity compensation plans approved by security holders	7,719,442	\$ 33.06	2,719,428(1)
Equity compensation plans not approved by security holders			
Total	7,719,442		2,719,428

(1) In addition to being available for future issuance upon exercise of options and stock appreciation rights, the 2,719,428 shares remaining available for grant under the omnibus plan as of December 31, 2010 were also available for issuance in connection with awards of restricted stock, restricted stock units, performance shares, performance units or other stock-based awards.

Table of Contents**CERTAIN INFORMATION ABOUT OUR EXECUTIVE OFFICERS**

The executive officers of the Company as of the date of this Proxy Statement are set forth in the table below. Certain biographical information with respect to those executive officers who do not also serve as directors follows the table. There are no family relationships among the executive officers, directors or nominees for director.

Name	Position with LPS	Age
Lee A. Kennedy	Executive Chairman of the Board	60
Jeffrey S. Carbiener	President and Chief Executive Officer	48
Thomas L. Schilling	Executive Vice President and Chief Financial Officer	48
Daniel T. Scheuble	Executive Vice President and Chief Operating Officer	52
Parag Bhansali	Executive Vice President, Corporate Development	49
Todd C. Johnson	Executive Vice President, General Counsel and Corporate Secretary	45
Joseph M. Nackashi	Executive Vice President and Chief Information Officer	47
Christopher P. Breakiron	Senior Vice President and Chief Accounting Officer	44

Thomas L. Schilling has served as our Executive Vice President and Chief Financial Officer since October 2010. Prior to joining the Company, Mr. Schilling was with USA Mobility, Inc., a provider of paging products and other wireless services to the business, government and health care sectors, where he served as Chief Financial Officer from January 2005 until October 2010 and as Chief Operating Officer from October 2007 to October 2010. Prior to joining USA Mobility, Mr. Schilling served as the Chief Financial Officer of Cincinnati Bell, Inc. from 2002 to August 2003.

Daniel T. Scheuble served as our Executive Vice President and Co-Chief Operating Officer from the spin-off until March 31, 2011, at which time he became our sole Chief Operating Officer. He served as Executive Vice President of the Mortgage Processing Services division of FIS from April 2006 until the spin-off date. Mr. Scheuble joined former FIS in 2003 as Chief Information Officer of the Mortgage Servicing Division. Before joining former FIS, Mr. Scheuble was Chief Information Officer at GMAC Residential and prior to that, he was the Executive Vice President and Chief Information Officer of Loan Operations for HomeSide Lending.

Parag Bhansali has served as our Executive Vice President of Corporate Development since April 2009. Prior to that, Mr. Bhansali served as our Senior Vice President of Investor Relations and Strategic Planning from February 2008 until April 2009. Before joining LPS in February 2008, Mr. Bhansali had served as Vice President of Finance of Rayonier Inc., a forest products company, since April 2000. Prior to that, Mr. Bhansali was with Covance Inc., a pharmaceutical research and drug development company, where he served in various positions including Vice President, Corporate Development and Strategy and Vice President, Investor Relations.

Todd C. Johnson has served as our Executive Vice President, General Counsel and Corporate Secretary since the spin-off. Prior to the spin-off date, he had served as Assistant General Counsel and Corporate Secretary of FIS since February 2006 and of FNF since October 2005. Mr. Johnson also served as Assistant General Counsel and Corporate Secretary of old FNF from July 2003 until November 2006. Prior to joining old FNF, Mr. Johnson was a partner in the Corporate and Securities practice group of Holland & Knight LLP.

Joseph M. Nackashi has served as our Executive Vice President and Chief Information Officer since the spin-off. Prior to the spin-off date, he had served as Senior Vice President and Chief Technology Officer of FIS since the

merger with Certegy in February 2006. Prior to that, Mr. Nackashi had served as Senior Vice President and Chief Technology Officer of former FIS and its predecessor, ALLTEL Information Services, Inc., since 2000.

Christopher P. Breakiron is our Senior Vice President and Chief Accounting Officer. He served as Vice President of Financial Planning and Analysis of FIS from September 2006 until the spin-off date. Prior to joining FIS, Mr. Breakiron had served as Senior Vice President and Controller, International Card Services of Certegy since 2002.

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**COMPENSATION DISCUSSION AND ANALYSIS
AND EXECUTIVE AND DIRECTOR COMPENSATION**

Compensation Discussion and Analysis

The following compensation discussion and analysis may contain statements regarding corporate performance targets and goals. These targets and goals are disclosed in the limited context of our compensation programs and should not be understood to be statements of management's expectations or estimates of results or other guidance. We specifically caution investors not to apply these statements to other contexts.

Introduction

LPS was able to demonstrate strong performance in 2010. We were able to grow our revenues to \$2.46 billion in 2010, an increase 3.6% over the prior year. We were also able to expand our margins and generate strong free cash flow, which we put to use by continuing to pay down our debt and repurchasing 7.4 million shares, thereby allowing us to generate strong growth in our adjusted net earnings per share (GAAP net earnings adjusted for the impact of certain non-recurring adjustments, if applicable, plus the after-tax purchase price amortization of intangible assets added through acquisitions, divided by weighted average shares) for our shareholders.

LPS was able to produce these strong results despite facing extremely difficult conditions in both of our core markets in 2010. Origination volumes were down 23% compared to the prior year, and foreclosure starts were down 5% from 2009. In addition, the ongoing economic downturn, troubled housing market and industry foreclosure issues have resulted in increased scrutiny of all parties involved in the mortgage industry, including LPS, by governmental authorities, judges and the news media, among others.

One of the key factors enabling LPS to perform well in a difficult market like the one we experienced in 2010 is our ability to identify the market dynamics impacting our customers. Our positioning as a leading end-to-end technology and service provider to the mortgage industry allows us to capitalize on these dynamics and assist our customers. Examples of current market dynamics include pressure from increasing government regulation; the need to control costs while maintaining quality service; the demand for better risk management tools; the need for better transparency and quality in the loan origination process; and finally, the move towards centralization of processes to improve control. These dynamics give us the opportunity to execute on our growth strategies, and to assist our customers by increasing the usage and penetration of our solutions and services, expanding the usage and breadth of our technology platforms, and introducing new solutions and services through either internal development or acquisition. These core strategies are supplemented by our efforts to leverage our core competencies to selectively enter markets outside of our more traditional markets, such as our expansion into the local government technology space in 2010.

Management successfully executed on these strategies during 2010, which resulted in significant market share gains. For example, some of the largest companies in the mortgage industry have converted onto our Desktop system, a workflow management application designed to streamline and automate business processes. In all, we had more than \$360 million in new sales wins and contract renewals during 2010. Management was able to produce these strong results despite the adverse market conditions discussed above.

Our named executive officers for 2010 are set forth below. In this compensation discussion and analysis, we discuss the compensation objectives and decisions, and the rationale behind those decisions, relating to the compensation we provided to our named executive officers in 2010.

Name	Position
Lee A. Kennedy	Executive Chairman of the Board
Jeffrey S. Carbiener	President and Chief Executive Officer
Thomas L. Schilling	Executive Vice President and Chief Financial Officer*
Daniel T. Scheuble	Executive Vice President and Chief Operating Officer**
Francis K. Chan	Executive Vice President and Chief Financial Officer*
Eric D. Swenson	Executive Vice President and Co-Chief Operating Officer**

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- * Francis K. Chan ceased to serve as Executive Vice President and Chief Financial Officer, and as an officer of the Company, on October 28, 2010. On that date, our board appointed Thomas L. Schilling to serve as Executive Vice President and Chief Financial Officer.
- ** Daniel T. Scheuble and Eric D. Swenson both served as Executive Vice President and Co-Chief Operating Officer until March 31, 2011. At that time, the board appointed Mr. Scheuble to serve as our sole Executive Vice President and Chief Operating Officer, and Mr. Swenson ceased to serve as an officer of the Company.

Objectives of our Compensation Program

Our compensation programs are designed to attract and motivate high performing executives with the objective of delivering long-term shareholder value and financial results. Retaining our key employees is also a high priority, as there is significant competition in our industry for talented managers. We think the most effective way of accomplishing these objectives is to link the compensation of our named executive officers to specific annual and long-term strategic goals, thereby aligning the interests of the executives with those of our shareholders. We believe it is important to deliver strong results for our shareholders, and we believe our practice of linking compensation with corporate performance will help us to accomplish that goal.

We link a significant portion of each named executive officer's total annual compensation to performance goals that are intended to deliver measurable results. Executives are generally rewarded only when and if the pre-established performance goals are met or exceeded. We also believe that material stock ownership by executives assists in aligning executives' interests with those of shareholders and strongly motivates executives to build long-term shareholder value. We structure our stock-based compensation programs to assist in creating this link. Finally, we provide our executives with total compensation that we believe is competitive relative to the compensation paid to similarly situated executives from similarly sized companies, and which is sufficient to motivate, reward and retain those individuals with the leadership abilities and skills necessary for achieving our ultimate objective: the creation of long-term shareholder value.

Role of Compensation Committee and Executive Officers in Determining Executive Compensation

Our compensation committee is responsible for approving and monitoring the compensation of all our named executive officers. Jeffrey S. Carbiener, our President and Chief Executive Officer, plays an important role in determining executive compensation levels by making recommendations to our compensation committee regarding salary adjustments and incentive awards for his direct reports. These recommendations are based on a review of an executive's performance and job responsibilities and potential future performance. Mr. Carbiener sometimes consults with Lee A. Kennedy, our Executive Chairman of the Board, when making these recommendations. Our compensation committee may exercise its discretion in modifying any recommended salary adjustments or incentive awards for our executives. Mr. Carbiener and Mr. Kennedy do not make recommendations to the compensation committee with respect to their own compensation.

Role of Compensation Consultants

To further the objectives of our compensation program, the compensation committee engaged Strategic Compensation Group, LLC, an independent compensation consultant, to conduct an annual review of our compensation programs for the named executive officers, as well as for other key executives and our board of directors. Strategic Compensation Group was selected by our compensation committee, reports directly to the committee, receives compensation only for services provided to the committee and does not provide other services to us. Strategic Compensation Group provided the compensation committee with relevant market data and alternatives to consider when making compensation

decisions for our key executives, including the named executive officers.

At the request of the compensation committee, Strategic Compensation Group gathered marketplace data on compensation, including annual salary, annual incentives, long-term incentives, other benefits, total compensation and pay mix. The compensation committee did not limit the consultant's discretion in selecting the surveys and peer group companies that are contained in this marketplace data. The committee also requested Strategic Compensation

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Group to conduct an annual review of compensation of all of the Company's executive officers, including the named executive officers, and of the Company's board of directors, and to propose 2011 compensation amounts with alternatives for the committee to consider. As part of this process, the consultant is instructed to first provide its recommendations to David K. Hunt, the chairman of the compensation committee, and to Mr. Carbiener (other than with respect to Mr. Carbiener's compensation). Mr. Carbiener has telephonic meetings with representatives of Strategic Compensation Group regarding the compensation of his direct reports (which includes the other named executive officers). Mr. Carbiener does not discuss his own compensation with the consultant. Strategic Compensation Group discusses Mr. Carbiener's compensation only with the committee. Following its discussions with the committee chairman and Mr. Carbiener, Strategic Compensation Group presents its evaluation and proposals to the full committee.

At the direction of the compensation committee, members of management, including the Chief Financial Officer, the General Counsel, and the Assistant Corporate Secretary, assist Strategic Compensation Group to gather financial information about the Company and stock ownership information for the Company's executives for inclusion in the consultant's reports to the committee, and coordinate with the committee's chairman and the representatives of Strategic Compensation Group in preparing the committee's meeting agendas. The Chief Financial Officer also assists Strategic Compensation Group with the setting of performance targets for the Company's incentive plans.

Strategic Compensation Group also assists the compensation committee in its review of the risks to the Company of its compensation policies and practices for all employees. The compensation committee may also give specific assignments to its consultant, or may ask for the consultant's assistance when it is considering a special or one-time compensation arrangement. For example, in 2010 the compensation committee requested that its consultant propose long term incentive awards for the Company's executives to promote retention and continued Company growth following a significant loss in value of the executives' outstanding equity, which was due largely to adverse conditions in the primary markets for the Company's services. In addition, members of the compensation committee may have discussions with the consultant between meetings as specific questions arise.

Establishing Executive Compensation Levels

We operate in a highly competitive industry, and compete with our peers and competitors to attract and retain highly skilled executives within that industry. In order to attract talented executives with the leadership abilities and skills necessary for building long-term shareholder value, motivate our executives to perform at a high level, reward outstanding achievement and retain our key executives over the long-term, our compensation committee sets total compensation at levels it determines to be competitive in our market.

When determining the overall compensation of our executive officers, including base salaries and annual and long-term incentive amounts, the compensation committee considers a number of factors it deems important. These factors include quantitative factors (such as financial performance) and qualitative factors (such as the executive's individual performance, experience, knowledge, skills, level of responsibility and expected impact on the Company's future success).

Of the factors referred to above, prior year financial performance is generally the most significant factor in the judgments of the compensation committee members and is considered the most significant measure of individual performance. In the case of Messrs. Kennedy, Carbiener and Chan, the overall financial performance of the Company in 2009 was the most important consideration when determining their compensation for 2010. In setting Mr. Kennedy's 2010 compensation, the committee also considered the best way to maintain his focus on long-term planning and strategic decision-making in order to benefit the Company's long-term goals and stock price. In determining Messrs. Scheuble's and Swenson's compensation for 2010, the compensation committee considered both the Company's overall performance in 2009, as well as the performance of the business units each of those executives

oversaw in 2009. Among the key financial performance metrics considered by the compensation committee in setting 2010 compensation levels were the Company's pro-forma revenue growth, adjusted earnings per share, organic free cash flow compared to budgeted free cash flow, and proactive cash flow management and debt reduction measures undertaken. The other individual qualitative factors described above, such as the individual's qualitative performance, experience and expected impact on future success, were also considered.

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At that time, each of the named executive officers was considered to be performing his job satisfactorily and consistently with the compensation committee's expectations.

To assist the compensation committee in determining 2010 compensation levels, Strategic Compensation Group gathered for the committee's consideration marketplace compensation data on total compensation, which consisted of annual salary, annual incentives, long-term incentives and pay mix. Strategic Compensation Group used two different marketplace data sources: (1) marketplace surveys, and (2) a study group of 18 publicly-traded companies.

The marketplace surveys include a general executive compensation survey prepared by Towers Perrin that contains compensation data for 337 companies, and a survey of approximately 60 publicly traded companies in the same general industry as us within a revenue range of \$2.2 billion to \$3.2 billion. The Towers Perrin survey contains compensation data relating to base salary, annual incentive and equity compensation (as well as a total of these three components) on a position-by-position basis. The Compensation Committee reviewed the Towers Perrin survey information for the positions that the Company's named executive officers hold, and applied a formula contained in the survey that allows for the adjustment of the survey's compensation amounts to take into account differences in revenues between the survey companies and the Company. The Compensation Committee also reviewed the general survey of publicly traded companies in the same general industry as the Company with a revenue range of \$2.2 billion to \$3.2 billion for compensation levels with respect to base salary, annual incentives, equity compensation, pension, deferred compensation, and the total of the foregoing, as well as pay mix, on a position-by-position basis (and with respect to Mr. Kennedy, limited their review to such companies with a separate executive chairman position). Strategic Compensation Group provided information to the compensation committee on the 50th and 75th percentile levels of total compensation (consisting of salary, target annual incentive and equity grants) for these two marketplace surveys.

The study group of 18 publicly traded companies included:

Adobe Systems Incorporated

Alliance Data Systems Corp.

Autodesk, Inc.

BMC Software, Inc.

Broadridge Financial Solutions, Inc.

CA, Inc.

Cognizant Technology Solutions Corporation

Convergys Corporation

DST Systems, Inc.

Equifax Inc.

Fiserv, Inc.

Global Payments Inc.

Intuit Inc.

Iron Mountain Inc.

Paychex, Inc.

Perot Systems Corporation

TeleTech Holdings, Inc.

Total System Services, Inc.

The compensation committee believes a significant portion of an executive officer's compensation should be allocated to equity-based compensation in order to effectively align the interests of our executives with the long-term interests of our shareholders. Consequently, for 2010, a majority of our named executive officers' total compensation was provided in the form of nonqualified stock options and restricted stock. In addition, when allocating Mr. Kennedy's compensation among base salary and annual and long-term incentives, our compensation committee considered that he is not employed exclusively by us. Specifically, because Mr. Kennedy did not dedicate 100% of his time on a day-to-day basis to LPS matters, our compensation committee allocated a smaller portion of

In October 2010, Mr. Schilling replaced Mr. Chan as our Executive Vice President and Chief Financial Officer. In establishing Mr. Schilling's salary, the committee considered Mr. Schilling's considerable financial and operational management experience, including his experience in the role of chief financial officer, his expected contributions to the Company, as well as the marketplace data discussed above.

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Revenue	40%	\$ 2,561.0	\$ 2,619.0	\$ 2,669.0
Adjusted net earnings	40%	\$ 331.0	\$ 345.0	\$ 359.1
Free cash flow	20%	\$ 338.0	\$ 350.0	\$ 362.0

Our compensation committee did not retain discretion to increase the amount of the incentive awards, but did retain discretion to reduce such amounts. In addition, in the event that our 2010 adjusted net earnings fell short of the adjusted net earnings threshold set by the committee of \$331.0 million, the committee had discretion to reduce the executives' awards under the annual incentive plan to zero regardless of our 2010 revenue and free cash flow results.

We use our Lender Processing Services, Inc. 2008 Omnibus Incentive Plan, or *the omnibus plan*, for long-term incentive awards. Our long-term incentive awards are generally made to management-level employees, including our executives, who have an ability to impact our long-term results. All long-term incentive awards made under the omnibus plan are approved by the compensation committee. Generally, the committee will consider annual long-term incentive awards in the second quarter of each year, although the committee may make grants with respect to new hires or promotions, in recognition of special achievements or for retention purposes at any time. The

The stock options awarded by the committee in May 2010 have an exercise price equal to the fair market value of a share of our common stock on the date of grant, vest proportionately each year over three years based on continued employment with us, and have a seven-year term. Subject to the satisfaction of the performance-based vesting criteria described in the next sentence, the performance-based restricted stock awarded in May 2010 vests

November 2010 to defer consideration of a performance-based restricted stock grant aimed at retention for Messrs. Kennedy and Carbiener, who are less directly involved in the day-to-day operation of our businesses and are more responsible for the overall management and strategic direction of our businesses, until a later date.

A participant may receive the value of his or her vested account balance upon termination of employment. A participant is always 100% vested in his or her voluntary contributions. Vesting in matching contributions occurs on a pro rata basis over an employee's first three years of employment with the Company.

Change in Control section.

In May 2009, our compensation committee adopted a policy stating that we will not enter into future new employment agreements, or materially amended employment agreements, with our named executive officers that include any excise tax gross-up provisions with respect to payments contingent upon a change in control. In December 2009, we entered into amended and restated employment agreements with each of Messrs. Carbiener,

simple annual interest. If a participant elects to receive a lump sum distribution, we can make the distribution either in cash or by transferring an interest in the policy. If the benefit is less than \$10,000, or the participant violates the plan's non-competition provisions within a one-year period after termination of employment, then the administrator can force a lump sum distribution. Unless a participant violates the plan's non-competition provisions within one-year after termination of employment, we will pay an additional gross up based on the administrator's estimate of the tax savings realized by it by being able to deduct the payments from its federal, state and local taxes. Participants' benefits derive solely from the terms of the LPS special plan and are unsecured. Participants do not have rights under the insurance policies.

In connection with the Certegy merger, a rabbi trust was funded with sufficient monies to pay all future required insurance premiums under the LPS split dollar plan and to pay all of the participant interests as defined in the LPS special plan, including with respect to Mr. Carbiener.

Retirement: A participant may modify the distribution schedule for a retirement distribution from a lump-sum to annual installments or vice versa. However, a modification to the form of payment requires that the payment(s) commence at least five years after the participant's retirement, and this election must be filed with the administrator at least 12 months prior to retirement.

In-service Distributions: Participants may modify each in-service distribution date by extending it by at least five years; however, participants may not accelerate the in-service distribution date and this election must be filed with the administrator at least 12 months prior to the scheduled in-service distribution date.

Deferral amounts that were vested on or before December 31, 2004 are generally not subject to Section 409A and are governed by more liberal distribution provisions that were in effect prior to the passage of Section 409A. For example, a participant may withdraw these grandfathered amounts at any time, subject to a withdrawal penalty of ten percent, or may annually change the payment elections for these grandfathered amounts.

immediate vesting and/or payment of all equity awards (other than those based on satisfaction of performance criteria which shall only vest pursuant to their express terms), and

continued receipt of health insurance benefits for a period of 3 years, reduced by comparable benefits he may receive from another employer.

(e) a material change in the executive's geographic location.

To qualify as a good reason termination, the executive must provide notice of the termination within 90 days of the date he first knows the event has occurred. We have 30 days to cure the event.

Under the agreements, change in control means:

an acquisition by an individual, entity or group of more than 50% of our voting power,

a merger or consolidation in which LPS is not the surviving entity, unless our shareholders immediately before the transaction hold more than 50% of the combined voting power of the resulting corporation after the transaction,

a reverse merger in which LPS is the surviving entity but in which more than 50% of the combined voting power is transferred to persons different from those holding the securities immediately before the merger,

nomination was approved by at least two-thirds of the members of the incumbent board will be considered as though he or she were a member of the incumbent board, and provided further that any individual whose initial assumption of office occurred as a result of either an actual or threatened election contest or other actual or threatened solicitation of proxies or consents by or on behalf of a person other than the board will not be considered as though such individual were a member of the incumbent board;

Messrs. Scheuble and Swenson) would vest upon any termination of employment by us not for cause or a termination by the executive for good reason. In any other termination event, all unvested stock options and restricted stock awards would expire at the employment termination date. Furthermore, under the terms of the omnibus plan, all of the stock options and restricted stock awards held by the named executive officers as of December 31, 2010 would have vested upon a change in control.

a lump sum payment of approximately \$40,000, which represents 36 months of monthly medical and dental COBRA premiums.

For so long as Mr. Chan pays the full monthly premiums for COBRA coverage, he is entitled to continued receipt of health insurance benefits for a period of 3 years, reduced by comparable benefits he may receive from another employer. In addition, pursuant to his employment agreement, all of Mr. Chan's awards under our omnibus plan, other than the May 2010 performance-based restricted stock grant, vested upon his termination. The time-based vesting requirements under the May 2010 grant were waived pursuant to Mr. Chan's employment agreement, but the performance-based restricted shares will only vest if the performance criteria is met. As of November 21, 2011, Mr. Chan's final day of employment with the Company, he held 143,116 unvested stock options with a market value of

adequate and functioning as designed.

committee reviews the qualifications of each candidate. Final candidates are generally interviewed by one or more committee members. The committee makes a recommendation to our board based on its review, the results of interviews with the candidate and all other available information. The board makes the final decision on whether to invite the candidate to join our board, which is extended through the Chair of the corporate governance and nominating committee and the Chairman of our board.

establishing procedures for receiving, processing and retaining complaints (including anonymous complaints) we receive concerning accounting controls or auditing issues;

approving any significant non-audit relationship with, and any audit and non-audit services provided by our independent registered public accounting firm;

discussing earnings press releases and financial information provided to analysts and rating agencies;

Our Executive Chairman, Lee A. Kennedy, also served as Executive Vice Chairman and a director of FIS through February 2010. As a result, FIS was a related party through February 28, 2010. As a result of this relationship, we describe certain agreements with FIS under which we made or received payments or had other obligations during 2010.

In addition, Mr. Kennedy was appointed Chairman of Ceridian Corporation on January 25, 2010, where he also served as interim Chief Executive Officer until August 16, 2010. Therefore Ceridian is a related party for periods subsequent to January 25, 2010. Although we are a party to a few agreements with Ceridian, we did not make

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payments to, or receive payments from, Ceridian in excess of \$120,000 with respect to any of those agreements in 2010.

For information regarding Mr. Kennedy’s compensation as Executive Chairman of the Board and his holdings in LPS stock and options, please refer to the sections entitled Compensation Discussion and Analysis and Executive and Director Compensation and Security Ownership of Certain Beneficial Owners, Directors and Executive Officers.

Arrangements with FIS

From 2005 until the spin-off, the business groups that are now part of our company were operated by FIS as internal divisions or separate subsidiaries within the FIS family of companies and there were inter-company arrangements between our operations and FIS – other operations for payment and reimbursement for corporate services and administrative matters as well as for services that we and FIS provided to each other in support of our respective customers and businesses. In connection with the spin-off, we entered into written agreements with FIS under which we continued to receive and provide certain of these services. In addition, certain of our subsidiaries have been parties to agreements with FIS covering various business and operational matters. In 2010, these agreements included corporate and transitional services agreements, aircraft interchange and cost sharing agreements, and a lease for office space in Jacksonville, Florida. Generally, the terms of our agreements and arrangements with FIS have not been negotiated at arm’s length, and they may not have reflected the terms that could have been obtained from unaffiliated third parties. However, other than those corporate services and similar arrangements that were priced at cost, which were likely more favorable to us as the service recipient than we could have obtained from a third party, we believe that the economic terms of our arrangements with FIS were generally priced within the range of prices that would apply in a third party transaction, and were not less favorable to us than a third party transaction would be.

We also entered into certain agreements with FIS specifically to effectuate the spin-off. Although most of FIS’s and our obligations under these agreements have been performed, certain obligations, which are more specifically described below, under the Contribution and Distribution Agreement and the Tax Disaffiliation Agreement remain outstanding.

Contribution and Distribution Agreement

The Contribution and Distribution Agreement is the principal agreement relating to the spin-off pursuant to which FIS transferred to us all of our operational assets and properties. Although most of FIS’s and our obligations under the Contribution and Distribution Agreement have been completed, certain obligations remain outstanding.

Access to Information. Under the Contribution and Distribution Agreement, during the retention period (such period of time as required by a records retention policy, any government entity, or any applicable agreement or law) we and FIS are obligated to provide each other access to certain information, subject to confidentiality obligations and other restrictions. Additionally, we and FIS agree to make reasonably available to each other our respective employees to explain all requested information. We and FIS are entitled to reimbursement for reasonable expenses incurred in providing requested information. We and FIS also agree to cooperate fully with each other to the extent requested in preparation of any filings made by us or by FIS with the SEC, any national securities exchange or otherwise made publicly available. We and FIS each retain all proprietary information within each company’s respective possession relating to the other party’s respective businesses for an agreed period of time and, prior to destroying the information, each of us must give the other notice and an opportunity to take possession of the information. We and FIS agree to hold in confidence all information concerning or belonging to the other for a period of three years following the spin-off.

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Indemnification. Under the Contribution and Distribution Agreement, we agreed to indemnify, hold harmless and defend FIS and its subsidiaries, affiliates and representatives from and against all liabilities arising out of or resulting from:

The ownership or operation of the assets or properties, or the operations or conduct, of the business transferred to us in connection with the spin-off, whether arising before or after the contribution of the assets to us;

Any guarantee, indemnification obligation, surety bond or other credit support arrangement by FIS or any of its affiliates for our benefit;

Any untrue statement of, or omission to state, a material fact in FIS's public filings to the extent it was a result of information that we furnished to FIS, if that statement or omission was made or occurred after the contribution of the assets to us; and

Any untrue statement of, or omission to state, a material fact in any of our public filings, except to the extent the statement was made or omitted in reliance upon information about the FIS group provided to us by FIS or upon information contained in any FIS public filing.

FIS agreed to indemnify, hold harmless and defend us and each of our subsidiaries, affiliates and representatives from and against all liabilities arising out of or resulting from:

The ownership or operation of the assets or properties, or the operations or conduct, of FIS or any of its subsidiaries and affiliates (other than us and our subsidiaries and the business transferred to us), whether arising before or after the date of the contribution of the assets by FIS;

Any guarantee, indemnification obligation, surety bond or other credit support arrangement by us or any of our affiliates for the benefit of FIS;

Any untrue statement of, or omission to state, a material fact in any of our public filings about the FIS group to the extent it was as a result of information that FIS furnished to us or which was contained in FIS's public filings; and

Any untrue statement of, or omission to state, a material fact in any FIS public filing, other than to the extent we are responsible as set forth above.

The Contribution and Distribution Agreement specifies procedures with respect to claims subject to indemnification and related matters and provides for contribution in the event that indemnification is not available to an indemnified party. All indemnification amounts are reduced by any insurance proceeds and other offsetting amounts recovered by the party entitled to indemnification.

Tax Disaffiliation Agreement

In connection with the spin-off, we entered into the Tax Disaffiliation Agreement with FIS to set out each party's rights and obligations with respect to federal, state, local, and foreign taxes for tax periods before the spin-off and related matters. Prior to the spin-off, our subsidiaries were members of the FIS consolidated federal tax return and certain of our subsidiaries were included with FIS companies in state combined income tax returns. Since we and our subsidiaries are no longer a part of the FIS group, the Tax Disaffiliation Agreement allocates responsibility between FIS and us for filing tax returns and paying taxes to the appropriate taxing authorities for periods prior to the spin-off, subject to certain indemnification rights, which generally allocate tax costs to the company earning the income giving

rise to the tax. The Tax Disaffiliation Agreement also includes indemnifications for any adjustments to taxes for periods prior to the spin-off and any related interest and penalties, and for any taxes and adverse consequences that may be imposed on the parties as a result of the spin-off, as a result of actions taken by the parties or otherwise.

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Under the Tax Disaffiliation Agreement:

FIS will file all FIS federal consolidated income tax returns, which will include our subsidiaries as members of the FIS group through the spin-off date. FIS will pay all the tax due on those returns, but we will indemnify FIS for the portion of the tax that is attributable to our income and that of our subsidiaries.

FIS will share responsibility with us for filing and paying tax on combined state returns that include both our companies and FIS group companies. We will file the return and pay the tax when one of our subsidiaries has the responsibility under applicable law for filing such return. FIS will indemnify us with respect to any state income tax paid by us or any member of our group that is attributable to the income of FIS or its subsidiaries. FIS will file the return and pay the tax for all other combined returns. We will indemnify FIS for any state income taxes paid by FIS but attributable to our income or that of our subsidiaries.

We will indemnify FIS for all taxes and associated adverse consequences FIS incurs (including shareholder suits) associated with the spin-off, the preliminary restructuring transactions effected prior to the spin-off, or the debt-for-debt exchange if FIS liability for taxes and adverse consequences arising from the imposition of taxes is the result of a breach or inaccuracy of any representation or covenant of any member of our group or is a result of any action taken by any member of our group.

FIS will indemnify us for all taxes and associated adverse consequences we incur (including shareholder suits) associated with the spin-off, the preliminary restructuring transactions effected prior to the spin-off, or the debt-for-debt exchange if our liability for taxes and adverse consequences arising from the imposition of taxes is the result of a breach or inaccuracy of any representation or covenant of any member of the FIS group or is a result of any action taken by any member of the FIS group.

There are limitations on each group's ability to amend tax returns if amendment would increase the tax liability of the other group.

Restrictions on Stock Acquisitions and Redemptions of Debt. In order to help preserve the tax-free nature of the spin-off, we agreed not to engage in any direct or indirect acquisition, issuance or other transaction involving our stock. In addition, we agreed not to reacquire any of our debt instruments that FIS exchanged in the debt-for-debt exchange. These restrictions were subject to various exceptions, including that (i) we could engage in such transactions involving our stock or debt if we obtain an opinion from a nationally recognized law firm or accounting firm that the transaction will not cause the spin-off to be taxable or (ii) we could obtain the consent of certain officers of FIS to engage in such transactions. In October 2010, we received a consent from FIS which released us from the restrictions on these types of transactions.

Corporate and Transitional Services Agreements

Prior to the spin-off, FIS provided certain corporate services to us relating to general management, accounting, finance, legal, payroll, human resources, corporate aviation and information technology support services, and we provided certain leased space and information technology support to FIS. In connection with the spin-off, we entered into new agreements, including new corporate and transitional services agreements and other agreements described below, so that we and FIS could continue to provide certain of these services to each other. The pricing for the services provided by us to FIS, and by FIS to us, under the corporate and transitional services agreements was on a cost-only basis, with each party in effect reimbursing the other for the costs and expenses (including allocated staff and administrative costs) incurred in providing these corporate services to the other party. The corporate and transitional services terminated at various times specified in the agreements, generally ranging from 12 months to 24 months after the spin-off, and are no longer in effect. We received \$1.4 million with respect to services provided by

us to FIS, and we paid \$0.7 million in respect of services provided by FIS to us, pursuant to these agreements in 2010.

Interchange and Cost Sharing Agreements for Corporate Aircraft

We entered into an interchange agreement with FIS and a third party with respect to our continued use of the corporate aircraft leased or owned by FIS and the third party, and the use by FIS and the third party of the corporate aircraft leased by us. We also entered into a cost sharing agreement with FIS and the third party with respect to the

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sharing of certain costs relating to other corporate aircraft that is leased or owned by the third party but used by us and by FIS from time to time. These arrangements provide us with access from time to time to additional corporate aircraft that we can use for our business purposes. The interchange agreement has a perpetual term, but may be terminated at any time by any party upon 30 days prior written notice. The cost sharing agreement continues as to us so long as the third party owns or leases corporate aircraft used by us. Under the interchange agreement, we reimburse FIS or the third party, or FIS or the third party reimburses us, for the net cost differential of our use of the aircraft owned or leased by FIS or the third party, and their respective aggregate use of our aircraft. The interchange use and the amounts for which each of us can be reimbursed are subject to Federal Aviation Authority regulations and are the same as would apply to any third party with whom we would enter into an aircraft interchange arrangement. Under the cost sharing agreement, FIS and we each reimburse the third party for 1/3 of the aggregate net costs relating to the aircraft, after taking into account all revenues from charters and other sources. We do not make payments to FIS under the cost sharing agreement, and we made aggregate payments of less than \$0.1 million to FIS under the aircraft interchange agreement in 2010.

Lease Agreement

In connection with the spin-off, we entered into a lease agreement pursuant to which we lease office space to FIS at our Jacksonville, Florida headquarters campus and provide certain other services including telecommunications and security. This lease continues for a term of 3 years, with an option to renew. The lease provides that the rentable square footage that is leased to FIS may, by mutual agreement, increase or decrease from time to time during the term of the lease. The rent is comprised of a base rate amount equal to \$6.82 per rentable square foot plus additional rent equal to FIS's share of our operating expenses for the entire Jacksonville headquarters campus (subject to certain exclusions). The operating expenses fluctuate from year to year and, thus, the amount of the additional rent will also fluctuate. For 2010, the total rent we charged to FIS was \$3.0 million, based upon a rate of \$25.09 per rentable square foot. This rent amount may increase or decrease in future years depending on our operating expenses and the depreciation relating to the Jacksonville headquarters campus in general.

Review, Approval or Ratification of Transactions with Related Persons

Our audit committee charter requires our audit committee to review and approve or ratify all transactions involving an amount in excess of \$120,000 in which we are a participant and in which any related person of ours has a direct or indirect material interest (related party transactions). For this purpose, related person includes any director, director nominee, executive officer, beneficial owner of 5% or more of a class of our voting securities, or certain family members of the foregoing. This policy covers all transactions required to be disclosed pursuant to Item 404(a) of Regulation S-K under the Securities Act of 1933. Under the charter, prior to entering into any related party transaction, the relevant related person (or the relevant director, nominee, officer or beneficial owner, in the case of a covered family member), or the general counsel or his designee, is expected to submit the related party transaction to the audit committee for approval (unless such transaction has been approved by the full board or another duly authorized committee thereof with respect to a particular transaction or transactions). The charter calls for the committee to make these decisions based on its consideration of all relevant factors, including but not limited to the related person's relationship to the Company and interest in the transaction, (ii) the material facts relating to the transaction, including the amount and terms thereof, (iii) the benefits to the Company of the transaction, (iv) if applicable, the availability of other sources of comparable products or services, the costs payable or revenues available from using alternative sources and the speed and certainty of performance of such third parties, and (v) an assessment of whether the proposed transaction is on terms that are comparable to the terms available to an unrelated third party or to employees generally. If the general counsel becomes aware of any related party transaction that is currently ongoing that has not previously been submitted for such review, he or his designee shall submit or cause to be submitted such transaction to the audit committee for consideration. In such event, the transaction shall be considered as described above. If a transaction is reviewed and not approved or ratified, the committee may recommend a course

of action to be taken, which may include termination of the transaction. The provisions of our audit committee charter described above are in addition to and do not supersede any other applicable company policies or procedures, including our Code of Conduct.

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Section 16(a) Beneficial Ownership Reporting Compliance

Section 16 of the Securities Exchange Act of 1934, as amended, requires the Company's executive officers and directors to file reports of their ownership, and changes in ownership, of the Company's common stock with the SEC. Executive officers and directors are required by the SEC's regulations to furnish the Company with copies of all forms they file pursuant to Section 16 and the Company is required to report in this proxy statement any failure of its directors and executive officers to file by the relevant due date any of these reports during fiscal year 2010. Based solely upon a review of these reports, we believe that during 2010, all of our directors and officers complied with the requirements of Section 16(a), except that Eric D. Swenson filed one late report due to an administrative error. In addition, David K. Hunt, Jeffrey S. Carbiener and Todd C. Johnson each reported corrected holdings on Form 5 in 2011.

SHAREHOLDER PROPOSALS

Any proposal that a shareholder wishes to be considered for inclusion in the proxy and proxy statement relating to the Annual Meeting of Shareholders to be held in 2012 must be received by the Company no later than December 6, 2011. Any other proposal that a shareholder wishes to bring before the 2012 Annual Meeting of Shareholders without inclusion of such proposal in the Company's proxy materials must be received by the Company no earlier than January 20, 2012, and no later than February 19, 2012. All proposals must comply with the applicable requirements or conditions established by the SEC and the Company's bylaws, which require, among other things, certain information to be provided in connection with the submission of shareholder proposals. All proposals must be directed to the Corporate Secretary of the Company at 601 Riverside Avenue, Jacksonville, Florida 32204. The persons designated by us as proxies in connection with the 2012 Annual Meeting of Shareholders will have discretionary voting authority with respect to any shareholder proposal for which the Company does not receive timely notice.

OTHER MATTERS

The Company knows of no other matters to be submitted at the meeting. If any other matters properly come before the meeting, the enclosed proxy card confers discretionary authority on the persons named in the enclosed proxy card to vote as they deem appropriate on such matters. It is the intention of the persons named in the enclosed proxy card to vote the shares in accordance with their best judgment.

AVAILABLE INFORMATION

The Company files Annual Reports on Form 10-K with the SEC. A copy of the Annual Report on Form 10-K for the fiscal year ended December 31, 2010 (except for certain exhibits thereto), including our audited financial statements and financial statement schedules, may be obtained, free of charge, upon written request by any shareholder to Lender Processing Services, Inc., 601 Riverside Avenue, Jacksonville, Florida 32204, Attention: Investor Relations. Copies of all exhibits to the Annual Report on Form 10-K are available upon a similar request, subject to reimbursing us for our expenses in supplying any exhibit.

By Order of the Board of Directors

Jeffrey S. Carbiener
President and Chief Executive Officer

Dated: April 4, 2011

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ANNEX A

LENDER PROCESSING SERVICES, INC.

AMENDED AND RESTATED

2008 OMNIBUS INCENTIVE PLAN

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**Lender Processing Services, Inc.
Amended and Restated
2008 Omnibus Incentive Plan**

Article 1. Establishment, Objectives, and Duration

1.1 Establishment of the Plan. Lender Processing Services, Inc., a Delaware corporation, hereby establishes an incentive compensation plan to be known as the Lender Processing Services, Inc. Amended and Restated 2008 Omnibus Incentive Plan (hereinafter referred to as the Plan). The Plan permits the granting of Nonqualified Stock Options, Incentive Stock Options, Stock Appreciation Rights, Restricted Stock, Restricted Stock Units, Performance Shares, Performance Units and Other Awards.

The Plan first became effective on July 1, 2008 (the Effective Date) when it was approved by Fidelity National Information Services, Inc., the Company's sole stockholder at that time (the Former Parent). Following the Company's spin-off from its Former Parent, the Plan was subsequently approved by the Company's stockholders on May 28, 2009. The Plan, as amended and restated, will become effective on May 19, 2011 if it is approved by the Company's stockholders at the Company's 2011 annual stockholders meeting. The Plan shall remain in effect as provided in Section 1.3 hereof.

1.2 Objectives of the Plan. The objectives of the Plan are to optimize the profitability and growth of the Company through incentives that are consistent with the Company's goals and that link the personal interests of Participants to those of the Company's stockholders.

The Plan is further intended to provide flexibility to the Company in its ability to motivate, attract and retain the services of Participants who make or are expected to make significant contributions to the Company's success and to allow Participants to share in the success of the Company.

1.3 Duration of the Plan. No Award may be granted under the Plan after the day immediately preceding the tenth anniversary of the Effective Date, or such earlier date as the Board shall determine. The Plan will remain in effect with respect to outstanding Awards until no Awards remain outstanding.

Article 2. Definitions

The following terms, when capitalized, shall have the meanings set forth below:

2.1 Award means, individually or collectively, Nonqualified Stock Options, Incentive Stock Options, Stock Appreciation Rights, Restricted Stock, Restricted Stock Units, Performance Shares, Performance Units, and Other Awards granted under the Plan.

2.2 Award Agreement means an agreement entered into by the Company and a Participant setting forth the terms and provisions applicable to an Award.

2.3 Beneficial Ownership shall have the meaning ascribed to such term in Rule 13d-3 of the General Rules and Regulations under the Exchange Act.

2.4 Board means the Board of Directors of the Company.

2.5 Change in Control means that the conditions set forth in any one of the following subsections shall have been satisfied:

(a) an acquisition immediately after which any Person possesses direct or indirect Beneficial Ownership of 25% or more of either the then outstanding shares of Company common stock (the Outstanding Company Common Stock) or the combined voting power of the then outstanding voting securities of the Company entitled to vote generally in the election of directors (the Outstanding Company Voting Securities); provided that the following acquisitions shall be excluded: (i) any acquisition directly from the Company, other than an acquisition by virtue of the exercise of a conversion privilege unless the security being so converted was itself acquired directly from the Company, (ii) any acquisition by the Company, (iii) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company or a Subsidiary, or (iv) any

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acquisition pursuant to a transaction that complies with paragraphs (i), (ii) and (iii) of subsection (c) of this Section 2.5; or

(b) during any period of two consecutive years, the individuals who, as of the beginning of such period, constitute the Board (such Board shall be hereinafter referred to as the Incumbent Board) cease for any reason to constitute at least a majority of the Board; provided that for purposes of this Section 2.5, any individual who becomes a member of the Board subsequent to the beginning of such period and whose election, or nomination for election by the Company's stockholders, was approved by a vote of at least two-thirds of those individuals who are members of the Board and who were also members of the Incumbent Board (or deemed to be such pursuant to this proviso) shall be considered as though such individual were a member of the Incumbent Board; provided, further, that any such individual whose initial assumption of office occurs as a result of either an actual or threatened election contest or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board shall not be so considered as a member of the Incumbent Board; or

(c) consummation of a reorganization, merger, share exchange, consolidation or sale or other disposition of all or substantially all of the assets of the Company (Corporate Transaction); excluding, however, such a Corporate Transaction pursuant to which:

(i) all or substantially all of the individuals and entities who have Beneficial Ownership, respectively, of the Outstanding Company Common Stock and Outstanding Company Voting Securities immediately prior to such Corporate Transaction will have Beneficial Ownership, directly or indirectly, of more than 50% of, respectively, the outstanding shares of common stock and the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the corporation resulting from such Corporate Transaction (including, without limitation, the Company or a corporation that as a result of such transaction owns the Company or all or substantially all of the Company's assets either directly or through one or more subsidiaries) (the Resulting Corporation) in substantially the same proportions as their ownership, immediately prior to such Corporate Transaction, of the Outstanding Company Common Stock and Outstanding Company Voting Securities, as the case may be;

(ii) no Person (other than (1) the Company, (2) an employee benefit plan (or related trust) sponsored or maintained by the Company or Resulting Corporation, or (3) any entity controlled by the Company or Resulting Corporation) will have Beneficial Ownership, directly or indirectly, of 25% or more of, respectively, the outstanding shares of common stock of the Resulting Corporation or the combined voting power of the outstanding voting securities of the Resulting Corporation entitled to vote generally in the election of directors, except to the extent that such ownership existed prior to the Corporate Transaction; and

(iii) individuals who were members of the Incumbent Board will continue to constitute at least a majority of the members of the board of directors of the Resulting Corporation; or

(d) the approval by the stockholders of the Company of a complete liquidation or dissolution of the Company.

For avoidance of doubt, no event or transaction which occurred or occurs as a result of the Contribution and Distribution Agreement dated as of June 13, 2008, by and between Fidelity National Information Services, Inc. and the Company, or the spin-off of the Company from Fidelity National Information Services, Inc. shall constitute a Change in Control for purposes of the Plan.

2.6 Code means the Internal Revenue Code of 1986, as amended from time to time.

2.7 Committee means the entity, as specified in Section 3.1, authorized to administer the Plan.

2.8 Company means Lender Processing Services, Inc., a Delaware corporation, and any successor thereto.

2.9 Consultant means any consultant or advisor to the Company or a Subsidiary.

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- 2.10 Director means any individual who is a member of the Board of Directors of the Company or a Subsidiary.
- 2.11 Dividend Equivalent means, with respect to Shares subject to an Award, a right to be paid an amount equal to the dividends declared and paid on an equal number of outstanding Shares.
- 2.12 Effective Date shall have the meaning ascribed to such term in Section 1.1 hereof.
- 2.13 Employee means any employee of the Company or a Subsidiary.
- 2.14 Exchange Act means the Securities Exchange Act of 1934, as amended from time to time.
- 2.15 Exercise Price means the price at which a Share may be purchased by a Participant pursuant to an Option.
- 2.16 Fair Market Value means the fair market value of a Share as determined in good faith by the Committee or pursuant to a procedure specified in good faith by the Committee; provided, however, that if the Committee has not specified otherwise, Fair Market Value shall mean the closing price of a Share as reported in a consolidated transaction reporting system on the date of valuation, or, if there was no such sale on the relevant date, then on the last previous day on which a sale was reported.
- 2.17 Freestanding SAR means an SAR that is granted independently of any Options, as described in Article 7 herein.
- 2.18 Incentive Stock Option or ISO means an Option that is intended to meet the requirements of Code Section 422.
- 2.19 Nonqualified Stock Option or NQSO means an Option that is not intended to meet the requirements of Code Section 422.
- 2.20 Option means an Incentive Stock Option or a Nonqualified Stock Option granted under the Plan, as described in Article 6 herein.
- 2.21 Other Award means a cash, Share-based or Share-related Award (other than an Award described in Article 6, 7, 8, 9 or 10 of the Plan) that is granted pursuant to Article 11 herein.
- 2.22 Participant means a current or former Employee, Director or Consultant who has rights relating to an outstanding Award.
- 2.23 Performance-Based Exception means the performance-based exception from the tax deductibility limitations of Code Section 162(m).
- 2.24 Performance Period means the period during which a performance measure must be met.
- 2.25 Performance Share means an Award granted to a Participant, as described in Article 9 herein.
- 2.26 Performance Unit means an Award granted to a Participant, as described in Article 10 herein.
- 2.27 Period of Restriction means the period Restricted Stock or Restricted Stock Units are subject to a substantial risk of forfeiture and are not transferable, as provided in Articles 8 and 9 herein.
- 2.28 Person shall have the meaning ascribed to such term in Section 3(a)(9) of the Exchange Act and used in Sections 13(d) and 14(d) thereof.

2.29 Replacement Awards means Awards issued in substitution of awards granted under equity-based incentive plans sponsored or maintained by an entity with which the Company engages in a merger, acquisition or other business transaction, pursuant to which awards relating to interests in such entity (or a related entity) are outstanding immediately prior to such merger, acquisition or other business transaction. For all purposes hereunder, Replacement Awards shall be deemed Awards.

2.30 Restricted Stock means an Award granted to a Participant, as described in Article 8 herein.

2.31 Restricted Stock Unit means an Award granted to a Participant, as described in Article 9 herein.

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2.32 Share means a share of Class A common stock of the Company, par value \$0.0001 per share, subject to adjustment pursuant to Section 4.3 hereof.

2.33 Stock Appreciation Right or SAR means an Award granted to a Participant, either alone or in connection with a related Option, as described in Article 7 herein.

2.34 Subsidiary means any corporation in which the Company owns, directly or indirectly, at least fifty percent (50%) of the total combined voting power of all classes of stock, or any other entity (including, but not limited to, partnerships and joint ventures) in which the Company owns, directly or indirectly, at least fifty percent (50%) of the combined equity thereof. Notwithstanding the foregoing, for purposes of determining whether any individual may be a Participant for purposes of any grant of Incentive Stock Options, Subsidiary shall have the meaning ascribed to such term in Code Section 424(f).

2.35 Tandem SAR means an SAR that is granted in connection with a related Option, as described in Article 7 herein.

Article 3. Administration

3.1 The Committee. The Plan shall be administered by the Compensation Committee of the Board or such other committee as the Board shall select (the Committee). The members of the Committee shall be appointed from time to time by, and shall serve at the discretion of, the Board.

3.2 Authority of the Committee. Except as limited by law or by the Amended and Restated Certificate of Incorporation or Amended and Restated Bylaws of the Company, as amended from time to time, and subject to the provisions herein, the Committee shall have full power to select the Employees, Directors and Consultants who shall participate in the Plan; determine the sizes and types of Awards; determine the terms and conditions of Awards in a manner consistent with the Plan; construe and interpret the Plan and any Award Agreement or other agreement or instrument entered into in connection with the Plan; establish, amend, or waive rules and regulations for the Plan's administration; and, subject to the provisions of Section 19.3 herein, amend the terms and conditions of any outstanding Award and Award Agreement. Further, the Committee shall make all other determinations that may be necessary or advisable for the administration of the Plan. As permitted by law, the Committee may delegate its authority as identified herein.

3.3 Decisions Binding. All determinations and decisions made by the Committee pursuant to the provisions of the Plan and all related orders and resolutions of the Board shall be final, conclusive and binding on all persons, including the Company, its Subsidiaries, its stockholders, Directors, Employees, Consultants and their estates and beneficiaries and any transferee of an Award.

Article 4. Shares Subject to the Plan; Individual Limits; and Anti-Dilution Adjustments

4.1 Number of Shares Available for Grants.

(a) Subject to adjustment as provided in Section 4.3 herein, the maximum number of Shares that may be delivered pursuant to Awards under the Plan shall be 18,700,000, provided that:

(i) Shares that are potentially deliverable under an Award granted under the Plan that is canceled, forfeited, settled in cash, expires or is otherwise terminated without delivery of such Shares shall not be counted as having been delivered under the Plan.

(ii) Shares that have been issued in connection with an Award of Restricted Stock that is canceled or forfeited prior to vesting or settled in cash, causing the Shares to be returned to the Company, shall not be counted as having been delivered under the Plan.

If Shares are returned to the Company in satisfaction of taxes relating to Restricted Stock, in connection with a cash out of Restricted Stock (but excluding upon forfeiture of Restricted Stock) or in connection with the tendering of Shares by a Participant in satisfaction of the Exercise Price or taxes relating to an Award, such issued Shares shall not become available again under the Plan. Each SAR issued under the Plan will be counted as one share issued under the Plan without regard to the number of Shares issued to the Participant upon exercise of such SAR.

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Shares delivered pursuant to the Plan may be authorized but unissued Shares, treasury Shares or Shares purchased on the open market.

(b) Subject to adjustment as provided in Section 4.3 herein, all Shares available under the Plan may be delivered in connection with full value Awards, meaning Awards other than Options, SARs, or Other Awards for which the Participant pays the grant date intrinsic value.

(c) Notwithstanding the foregoing, for purposes of determining the number of Shares available for grant as Incentive Stock Options, only Shares that are subject to an Award that expires or is cancelled, forfeited or settled in cash shall be treated as not having been issued under the Plan.

4.2 **Individual Limits.** Subject to adjustment as provided in Section 4.3 herein, the following rules shall apply with respect to Awards and any related dividends or Dividend Equivalents intended to qualify for the Performance-Based Exception:

(a) *Options:* The maximum aggregate number of Shares with respect to which Options may be granted in any one fiscal year to any one Participant shall be 4,000,000 Shares.

(b) *SARs:* The maximum aggregate number of Shares with respect to which Stock Appreciation Rights may be granted in any one fiscal year to any one Participant shall be 4,000,000 Shares.

(c) *Restricted Stock:* The maximum aggregate number of Shares of Restricted Stock that may be granted in any one fiscal year to any one Participant shall be 2,000,000 Shares.

(d) *Restricted Stock Units:* The maximum aggregate number of Shares with respect to which Restricted Stock Units may be granted in any one fiscal year to any one Participant shall be 2,000,000 Shares.

(e) *Performance Shares:* The maximum aggregate number of Shares with respect to which Performance Shares may be granted in any one fiscal year to any one Participant shall be 2,000,000 Shares.

(f) *Performance Units:* The maximum aggregate compensation that can be paid pursuant to Performance Units awarded in any one fiscal year to any one Participant shall be \$25,000,000 or a number of Shares having an aggregate Fair Market Value not in excess of such amount.

(g) *Other Awards:* The maximum aggregate compensation that can be paid pursuant to Other Awards awarded in any one fiscal year to any one Participant shall be \$25,000,000 or a number of Shares having an aggregate Fair Market Value not in excess of such amount.

(h) *Dividends and Dividend Equivalents:* The maximum dividend or Dividend Equivalent that may be paid in any one fiscal year to any one Participant shall be \$25,000,000.

4.3 **Adjustments in Authorized Shares and Awards.** In the event of any equity restructuring (within the meaning of Financial Accounting Standards Board Accounting Standards Codification Topic 718), such as a stock dividend, stock split, spin-off, rights offering or recapitalization through a large, nonrecurring cash dividend, the Committee shall cause an equitable adjustment to be made (i) in the number and kind of Shares that may be delivered under the Plan under Section 4.1 hereof, (ii) in the individual limitations set forth in Section 4.2 hereof and (iii) with respect to outstanding Awards, in the number and kind of Shares subject to outstanding Awards, the Exercise Price, grant price or other price of Shares subject to outstanding Awards, any performance conditions relating to Shares, the market price of Shares, or per-Share results, and other terms and conditions of outstanding Awards, in the case of (i), (ii) and

(iii) to prevent dilution or enlargement of rights. In the event of any other change in corporate capitalization, such as a merger, consolidation or liquidation, the Committee may, in its sole discretion, cause an equitable adjustment as described in the foregoing sentence to be made, to prevent dilution or enlargement of rights. The number of Shares subject to any Award shall always be rounded down to a whole number when adjustments are made pursuant to this Section 4.3. Adjustments made by the Committee pursuant to this Section 4.3 shall be final, binding and conclusive.

Article 5. Eligibility and Participation

5.1 Eligibility. Persons eligible to participate in the Plan include all Employees, Directors and Consultants.

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5.2 **Actual Participation.** Subject to the provisions of the Plan, the Committee may, from time to time, select from all eligible Employees, Directors and Consultants, those to whom Awards shall be granted and shall determine the nature and amount of each Award.

Article 6. Options

6.1 **Grant of Options.** Subject to the terms and provisions of the Plan, Options may be granted to Participants in such amounts, upon such terms, and at such times as the Committee shall determine.

6.2 **Award Agreement.** Each Option grant shall be evidenced by an Award Agreement that shall specify the Exercise Price, the duration of the Option, the number of Shares to which the Option pertains, and such other provisions as the Committee shall determine. The Award Agreement also shall specify whether the Option is intended to be an ISO or an NQSO. Options that are intended to be ISOs shall be subject to the limitations set forth in Code Section 422.

6.3 **Exercise Price.** The Exercise Price for each grant of an Option under the Plan shall be at least equal to one hundred percent (100%) of the Fair Market Value of a Share on the date the Option is granted; provided, however, that this restriction shall not apply to Replacement Awards or Awards that are adjusted pursuant to Section 4.3 herein. No ISO granted to a Participant who, at the time the ISO is granted, owns stock representing more than ten percent (10%) of the voting power of all classes of stock of the Company or any Subsidiary shall have an Exercise Price that is less than one hundred ten percent (110%) of the Fair Market Value of a Share on the date the ISO is granted.

6.4 **Duration of Options.** Each Option granted to a Participant shall expire at such time as the Committee shall determine at the time of grant; provided, however, that no Option shall be exercisable later than the tenth (10th) anniversary date of its grant. No ISO granted to a Participant who, at the time the ISO is granted, owns stock representing more than ten percent (10%) of the voting power of all classes of stock of the Company or any Subsidiary shall be exercisable later than the fifth (5th) anniversary of the date of its grant.

6.5 **Exercise of Options.** Options granted under this Article 6 shall be exercisable at such times and be subject to such restrictions and conditions as set forth in the Award Agreement and as the Committee shall in each instance approve, which need not be the same for each grant or for each Participant.

6.6 **Payment.** Options granted under this Article 6 shall be exercised by the delivery of a written notice of exercise to the Company, setting forth the number of Shares with respect to which the Option is to be exercised and specifying the method of payment of the Exercise Price.

The Exercise Price of an Option shall be payable to the Company in full: (a) in cash or its equivalent, (b) by tendering Shares or directing the Company to withhold Shares from the Option having an aggregate Fair Market Value at the time of exercise equal to the Exercise Price, (c) by broker-assisted cashless exercise, (d) in any other manner then permitted by the Committee, or (e) by a combination of any of the permitted methods of payment. The Committee may limit any method of payment, other than that specified under (a), for administrative convenience, to comply with applicable law, or for any other reason.

6.7 **Restrictions on Share Transferability.** The Committee may impose such restrictions on any Shares acquired pursuant to the exercise of an Option granted under this Article 6 as it may deem advisable, including, without limitation, restrictions under applicable federal securities laws, under the requirements of any stock exchange or market upon which such Shares are then listed and/or traded, and under any blue sky or state securities laws applicable to such Shares.

6.8 Dividend Equivalents. At the discretion of the Committee, an Award of Options may provide the Participant with the right to receive Dividend Equivalents, which may be paid currently or credited to an account for the Participant, and may be settled in cash and/or Shares, as determined by the Committee in its sole discretion, subject in each case to such terms and conditions as the Committee shall establish.

6.9 Termination of Employment or Service. Each Participant's Option Award Agreement shall set forth the extent to which the Participant shall have the right to exercise the Option following termination of the Participant's employment or, if the Participant is a Director or Consultant, service with the Company and/or a Subsidiary, as the

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case may be. Such provisions shall be determined in the sole discretion of the Committee, need not be uniform among all Options, and may reflect distinctions based on the reasons for termination of employment or service.

6.10 Nontransferability of Options.

(a) *Incentive Stock Options.* ISOs may not be sold, transferred, pledged, assigned, or otherwise alienated or hypothecated, other than by will or by the laws of descent and distribution, and shall be exercisable during a Participant's lifetime only by such Participant. ISOs may not be transferred for value or consideration.

(b) *Nonqualified Stock Options.* NQSOs may not be sold, transferred, pledged, assigned, or otherwise alienated or hypothecated, other than by will or by the laws of descent and distribution, and shall be exercisable during a Participant's lifetime only by such Participant. NQSOs may not be transferred for value or consideration.

Article 7. Stock Appreciation Rights

7.1 Grant of SARs. Subject to the terms and provisions of the Plan, SARs may be granted to Participants in such amounts, upon such terms, and at such times as the Committee shall determine. The Committee may grant Freestanding SARs, Tandem SARs, or any combination of these forms of SAR.

The Committee shall have complete discretion in determining the number of SARs granted to each Participant (subject to Article 4 herein) and, consistent with the provisions of the Plan, in determining the terms and conditions pertaining to such SARs.

The grant price of a Freestanding SAR shall at least equal the Fair Market Value of a Share on the date of grant of the SAR, and the grant price of a Tandem SAR shall equal the Exercise Price of the related Option; provided, however, that this restriction shall not apply to Replacement Awards or Awards that are adjusted pursuant to Section 4.3 herein.

7.2 Exercise of Tandem SARs. A Tandem SAR may be exercised only with respect to the Shares for which its related Option is then exercisable. To the extent exercisable, Tandem SARs may be exercised for all or part of the Shares subject to the related Option. The exercise of all or part of a Tandem SAR shall result in the forfeiture of the right to purchase a number of Shares under the related Option equal to the number of Shares with respect to which the SAR is exercised. Conversely, upon exercise of all or part of an Option with respect to which a Tandem SAR has been granted, an equivalent portion of the Tandem SAR shall similarly be forfeited.

Notwithstanding any other provision of the Plan to the contrary, with respect to a Tandem SAR granted in connection with an ISO: (i) the Tandem SAR will expire no later than the expiration of the underlying ISO; (ii) the value of the payout with respect to the Tandem SAR may be for no more than one hundred percent (100%) of the difference between the Exercise Price of the underlying ISO and the Fair Market Value of the Shares subject to the underlying ISO at the time the Tandem SAR is exercised; and (iii) the Tandem SAR may be exercised only when the Fair Market Value of the Shares subject to the ISO exceeds the Exercise Price of the ISO.

7.3 Exercise of Freestanding SARs. Freestanding SARs may be exercised upon whatever terms and conditions the Committee, in its sole discretion, imposes upon them and sets forth in the Award Agreement.

7.4 Award Agreement. Each SAR grant shall be evidenced by an Award Agreement that shall specify the grant price, the term of the SAR, and such other provisions as the Committee shall determine.

7.5 Term of SARs. The term of an SAR granted under the Plan shall be determined by the Committee, in its sole discretion; provided, however, that such term shall not exceed ten (10) years.

7.6 Payment of SAR Amount. Upon exercise of an SAR, a Participant shall be entitled to receive payment from the Company in an amount determined by multiplying:

- (a) the difference between the Fair Market Value of a Share on the date of exercise over the grant price; by
- (b) the number of Shares with respect to which the SAR is exercised.

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At the discretion of the Committee, the payment upon SAR exercise may be in cash, in Shares of equivalent value, or in some combination thereof.

7.7 Dividend Equivalents. At the discretion of the Committee, an Award of SARs may provide the Participant with the right to receive Dividend Equivalents, which may be paid currently or credited to an account for the Participant, and may be settled in cash and/or Shares, as determined by the Committee in its sole discretion, subject in each case to such terms and conditions as the Committee shall establish.

7.8 Termination of Employment or Service. Each SAR Award Agreement shall set forth the extent to which the Participant shall have the right to exercise the SAR following termination of the Participant's employment or, if the Participant is a Director or Consultant, service with the Company and/or a Subsidiary, as the case may be. Such provisions shall be determined in the sole discretion of the Committee, need not be uniform among all SARs, and may reflect distinctions based on the reasons for termination of employment or service.

7.9 Nontransferability of SARs. SARs may not be sold, transferred, pledged, assigned, or otherwise alienated or hypothecated, other than by will or by the laws of descent and distribution, and shall be exercisable during a Participant's lifetime only by such Participant. SARs may not be transferred for value or consideration.

Article 8. Restricted Stock

8.1 Grant of Restricted Stock. Subject to the terms and provisions of the Plan, Restricted Stock may be granted to Participants in such amounts, upon such terms, and at such times as the Committee shall determine.

8.2 Award Agreement. Each Restricted Stock grant shall be evidenced by an Award Agreement that shall specify the Period(s) of Restriction and, if applicable, Performance Period(s), the number of Shares of Restricted Stock granted, and such other provisions as the Committee shall determine.

8.3 Other Restrictions. The Committee shall impose such other conditions and/or restrictions on any Shares of Restricted Stock granted pursuant to the Plan as it may deem advisable including, without limitation, a requirement that Participants pay a stipulated purchase price for each Share of Restricted Stock, a requirement that the issuance of Shares of Restricted Stock be delayed, restrictions based upon the achievement of specific performance goals, time-based restrictions on vesting following the attainment of the performance goals, time-based restrictions, and/or restrictions under applicable laws or under the requirements of any stock exchange or market upon which such Shares are listed or traded, or holding requirements or sale restrictions placed on the Shares by the Company upon vesting of such Restricted Stock. The Company may retain in its custody any certificate evidencing the Shares of Restricted Stock and place thereon a legend and institute stop-transfer orders on such Shares, and the Participant shall be obligated to sign any stock power requested by the Company relating to the Shares to give effect to the forfeiture provisions of the Restricted Stock.

8.4 Removal of Restrictions. Subject to applicable laws, Restricted Stock shall become freely transferable by the Participant after the last day of the Period of Restriction applicable thereto. Once Restricted Stock is released from the restrictions, the Participant shall be entitled to receive a certificate evidencing the Shares.

8.5 Voting Rights. Unless otherwise determined by the Committee and set forth in a Participant's Award Agreement, to the extent permitted or required by law, as determined by the Committee, Participants holding Shares of Restricted Stock granted hereunder may exercise full voting rights with respect to those Shares during the Period of Restriction.

8.6 Dividends and Other Distributions. Except as otherwise provided in a Participant's Award Agreement, during the Period of Restriction, Participants holding Shares of Restricted Stock shall receive all regular cash dividends paid with

respect to all Shares while they are so held, and, except as otherwise determined by the Committee, all other distributions paid with respect to such Restricted Stock shall be credited to Participants subject to the same restrictions on transferability and forfeitability as the Restricted Stock with respect to which they were paid and paid at such time following full vesting as are paid the Shares of Restricted Stock with respect to which such distributions were made.

8.7 Termination of Employment or Service. Each Award Agreement shall set forth the extent to which the Participant shall have the right to retain unvested Restricted Stock following termination of the Participant s

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employment or, if the Participant is a Director or Consultant, service with the Company and/or a Subsidiary, as the case may be. Such provisions shall be determined in the sole discretion of the Committee, need not be uniform among all Awards of Restricted Stock, and may reflect distinctions based on the reasons for termination of employment or service.

8.8 Nontransferability of Restricted Stock. Except as otherwise determined by the Committee, during the applicable Period of Restriction, a Participant's Restricted Stock and rights relating thereto shall be available during the Participant's lifetime only to such Participant, and such Restricted Stock and related rights may not be sold, transferred, pledged, assigned, or otherwise alienated or hypothecated other than by will or by the laws of descent and distribution.

Article 9. Restricted Stock Units and Performance Shares

9.1 Grant of Restricted Stock Units/Performance Shares. Subject to the terms and provisions of the Plan, Restricted Stock Units and Performance Shares may be granted to Participants in such amounts, upon such terms, and at such times as the Committee shall determine.

9.2 Award Agreement. Each grant of Restricted Stock Units or Performance Shares shall be evidenced by an Award Agreement that shall specify the applicable Period(s) of Restriction and/or Performance Period(s) (as the case may be), the number of Restricted Stock Units or Performance Shares granted, and such other provisions as the Committee shall determine. The initial value of a Restricted Stock Unit or Performance Share shall be at least equal to the Fair Market Value of a Share on the date of grant; provided, however, that this restriction shall not apply to Replacement Awards or Awards that are adjusted pursuant to Section 4.3 herein.

9.3 Form and Timing of Payment. Except as otherwise provided in Article 17 herein or a Participant's Award Agreement, payment of Restricted Stock Units or Performance Shares shall be made at a specified settlement date that shall not be earlier than the last day of the Period of Restriction or Performance Period, as the case may be. The Committee, in its sole discretion, may pay earned Restricted Stock Units and Performance Shares by delivery of Shares or by payment in cash of an amount equal to the Fair Market Value of such Shares (or a combination thereof). The Committee may provide that settlement of Restricted Stock Units or Performance Shares shall be deferred, on a mandatory basis or at the election of the Participant.

9.4 Voting Rights. A Participant shall have no voting rights with respect to any Restricted Stock Units or Performance Shares granted hereunder; provided, however, that the Committee may deposit Shares potentially deliverable in connection with Restricted Stock Units or Performance Shares in a rabbi trust, in which case the Committee may provide for pass through voting rights with respect to such deposited Shares.

9.5 Dividend Equivalents. At the discretion of the Committee, an Award of Restricted Stock Units or Performance Shares may provide the Participant with the right to receive Dividend Equivalents, which may be paid currently or credited to an account for the Participant, and may be settled in cash and/or Shares, as determined by the Committee in its sole discretion, subject in each case to such terms and conditions as the Committee shall establish.

9.6 Termination of Employment or Service. Each Award Agreement shall set forth the extent to which the Participant shall have the right to receive a payout with respect to an Award of Restricted Stock Units or Performance Shares following termination of the Participant's employment or, if the Participant is a Director or Consultant, service with the Company and/or a Subsidiary, as the case may be. Such provisions shall be determined in the sole discretion of the Committee, need not be uniform among all Restricted Stock Units or Performance Shares, and may reflect distinctions based on the reasons for termination of employment or service.

9.7 Nontransferability. Except as otherwise determined by the Committee, Restricted Stock Units and Performance Shares and rights relating thereto may not be sold, transferred, pledged, assigned, or otherwise alienated or hypothecated, other than by will or by the laws of descent and distribution.

Article 10. Performance Units

10.1 Grant of Performance Units. Subject to the terms and conditions of the Plan, Performance Units may be granted to Participants in such amounts, upon such terms, and at such times as the Committee shall determine.

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10.2 **Award Agreement**. Each grant of Performance Units shall be evidenced by an Award Agreement that shall specify the number of Performance Units granted, the Performance Period(s), the performance goals and such other provisions as the Committee shall determine.

10.3 **Value of Performance Units**. The Committee shall set performance goals in its discretion that, depending on the extent to which they are met, will determine the number and/or value of Performance Units that will be paid out to the Participants.

10.4 **Form and Timing of Payment**. Except as otherwise provided in Article 17 herein or a Participant's Award Agreement, payment of earned Performance Units shall be made following the close of the applicable Performance Period. The Committee, in its sole discretion, may pay earned Performance Units in cash or in Shares that have an aggregate Fair Market Value equal to the value of the earned Performance Units (or a combination thereof). The Committee may provide that settlement of Performance Units shall be deferred, on a mandatory basis or at the election of the Participant.

10.5 **Dividend Equivalents**. At the discretion of the Committee, an Award of Performance Units may provide the Participant with the right to receive Dividend Equivalents, which may be settled in cash and/or Shares, as determined by the Committee in its sole discretion, subject to such terms and conditions as the Committee shall establish. In the event that the Committee provides a Participant with the right to receive Dividend Equivalents, such Dividend Equivalents shall be credited to an account for the Participant and held by the Company subject to the same restrictions as the Performance Units to which the Dividend Equivalents relate, and shall be paid to the Participant only if and at such time as those Performance Units are earned.

10.6 **Termination of Employment or Service**. Each Award Agreement shall set forth the extent to which the Participant shall have the right to receive a payout with respect to an Award of Performance Units following termination of the Participant's employment or, if the Participant is a Director or Consultant, service with the Company and/or a Subsidiary, as the case may be. Such provisions shall be determined in the sole discretion of the Committee, need not be uniform among all Performance Units and may reflect distinctions based on reasons for termination of employment or service.

10.7 **Nontransferability**. Except as otherwise determined by the Committee, Performance Units and rights relating thereto may not be sold, transferred, pledged, assigned or otherwise alienated or hypothecated, other than by will or by the laws of descent and distribution.

Article 11. Other Awards

11.1 **Grant of Other Awards**. Subject to the terms and conditions of the Plan, Other Awards may be granted to Participants in such amounts, upon such terms, and at such times as the Committee shall determine. Types of Other Awards that may be granted pursuant to this Article 11 include, without limitation, the payment of cash or Shares based on attainment of performance goals established by the Committee, the payment of Shares as a bonus or in lieu of cash based on attainment of performance goals established by the Committee, and the payment of Shares in lieu of cash under other Company incentive or bonus programs.

11.2 **Payment of Other Awards**. Payment under or settlement of any such Awards shall be made in such manner and at such times as the Committee may determine.

11.3 **Termination of Employment or Service**. The Committee shall determine the extent to which the Participant shall have the right to receive Other Awards following termination of the Participant's employment or, if the Participant is a Director or Consultant, service with the Company and/or a Subsidiary, as the case may be. Such provisions shall be

determined in the sole discretion of the Committee, may be included in an agreement entered into with each Participant, but need not be uniform among all Other Awards, and may reflect distinctions based on the reasons for termination of employment or service.

11.4 Nontransferability. Except as otherwise determined by the Committee, Other Awards and rights relating thereto may not be sold, transferred, pledged, assigned, or otherwise alienated or hypothecated, other than by will or by the laws of descent and distribution.

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Article 12. Replacement Awards

Each Replacement Award shall have substantially the same terms and conditions (as determined by the Committee) as the award it replaces; provided, however, that the number of Shares subject to Replacement Awards, the Exercise Price, grant price or other price of Shares subject to Replacement Awards, any performance conditions relating to Shares underlying Replacement Awards, or the market price of Shares underlying Replacement Awards or per-Share results may differ from the awards they replace to the extent such differences are determined to be appropriate and equitable by the Committee, in its sole discretion.

Article 13. Performance Measures

The Committee may specify that the attainment of one or more of the performance measures set forth in this Article 13 shall determine the degree of granting, vesting and/or payout with respect to Awards (including any related dividends or Dividend Equivalents) that the Committee intends will qualify for the Performance-Based Exception. The performance goals to be used for such Awards shall be chosen from among the following performance measure(s): earnings per share, economic value created, market share (actual or targeted growth), net income (before or after taxes), operating income and/or earnings before interest, taxes, depreciation and amortization, adjusted net income after capital charge, return on assets (actual or targeted growth), return on capital (actual or targeted growth), return on equity (actual or targeted growth), return on investment (actual or targeted growth), revenue (actual or targeted growth), cash flow, operating margin, share price, share price growth, total stockholder return, and strategic business criteria consisting of one or more objectives based on meeting specified market penetration goals, productivity measures, geographic business expansion goals, cost targets, customer satisfaction or employee satisfaction goals, goals relating to merger synergies, management of employment practices and employee benefits, or supervision of litigation and information technology, and goals relating to acquisitions or divestitures of Subsidiaries and/or other affiliates or joint ventures. The targeted level or levels of performance with respect to such performance measures may be established at such levels and on such terms as the Committee may determine, in its discretion, including in absolute terms, as a goal relative to performance in prior periods, or as a goal compared to the performance of one or more comparable companies or an index covering multiple companies. Awards (including any related dividends or Dividend Equivalents) that are not intended to qualify for the Performance-Based Exception may be based on these or such other performance measures as the Committee may determine.

Achievement of performance goals in respect of Awards intended to qualify under the Performance-Based Exception shall be measured over a Performance Period, and the goals shall be established not later than ninety (90) days after the beginning of the Performance Period or, if less than (90) days, the number of days that is equal to twenty-five percent (25%) of the relevant Performance Period applicable to the Award. The Committee shall have the discretion to adjust the determinations of the degree of attainment of the pre-established performance goals; provided, however, that Awards that are designed to qualify for the Performance-Based Exception may not be adjusted upward (the Committee may, in its discretion, adjust such Awards downward).

Article 14. Beneficiary Designation

Each Participant under the Plan may, from time to time, name any beneficiary or beneficiaries (who may be named contingently or successively) to whom any benefit under the Plan is to be paid in case of his or her death before he or she receives any or all of such benefit. Each such designation shall revoke all prior designations by the same Participant, shall be in a form prescribed by the Committee, and will be effective only when filed by the Participant in writing during the Participant's lifetime with the Committee. In the absence of any such designation, benefits remaining unpaid at the Participant's death shall be paid to the Participant's estate.

Article 15. Deferrals

If permitted by the Committee, a Participant may defer receipt of amounts that would otherwise be provided to such Participant with respect to an Award, including Shares deliverable upon exercise of an Option or SAR or upon payout of any other Award. If permitted, such deferral (and the required deferral election) shall be made in accordance with, and shall be subject to, the terms and conditions of the applicable nonqualified deferred

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compensation plan, agreement or arrangement under which such deferral is made and such other terms and conditions as the Committee may prescribe.

Article 16. Rights of Participants

16.1 Continued Service. Nothing in the Plan shall:

- (a) interfere with or limit in any way the right of the Company or a Subsidiary to terminate any Participant's employment or service at any time,
- (b) confer upon any Participant any right to continue in the employ or service of the Company or a Subsidiary, nor
- (c) confer on any Director any right to continue to serve on the Board of Directors of the Company or a Subsidiary.

16.2 Participation. No Employee, Director or Consultant shall have the right to be selected to receive an Award under the Plan, or, having been so selected, to be selected to receive future Awards.

Article 17. Change in Control

Except as otherwise provided in a Participant's Award Agreement, upon the occurrence of a Change in Control, unless otherwise specifically prohibited under applicable laws, or by the rules and regulations of any governing governmental agencies or national securities exchanges:

- (a) any and all outstanding Options and SARs granted hereunder shall become immediately exercisable; provided, however, that the Committee may instead provide that such Awards shall be automatically cashed out upon a Change in Control;
- (b) any Period of Restriction or other restriction imposed on Restricted Stock, Restricted Stock Units and Other Awards shall lapse; and
- (c) any and all Performance Shares, Performance Units and other Awards (if performance-based) shall be deemed earned at the target level (or if no target level is specified, the maximum level) with respect to all open Performance Periods.

Article 18. Additional Forfeiture Provisions

The Committee may condition a Participant's right to receive a grant of an Award, to vest in the Award, to exercise the Award, to retain cash, Shares, other Awards, or other property acquired in connection with the Award, or to retain the profit or gain realized by the Participant in connection with the Award, including cash or other proceeds received upon sale of Shares acquired in connection with an Award, upon compliance by the Participant with specified conditions relating to non-competition, confidentiality of information relating to or possessed by the Company, non-solicitation of customers, suppliers, and employees of the Company, cooperation in litigation, non-disparagement of the Company and its officers, directors and affiliates, and other restrictions upon or covenants of the Participant, including during specified periods following termination of employment with or service for the Company and/or a Subsidiary.

Article 19. Amendment, Modification, and Termination

19.1 Amendment, Modification, and Termination. The Board may at any time and from time to time, alter, amend, suspend or terminate the Plan in whole or in part; provided, however, that no amendment that requires stockholder

approval in order for the Plan to continue to comply with the New York Stock Exchange listing standards or any rule promulgated by the United States Securities and Exchange Commission or any securities exchange on which the securities of the Company are listed shall be effective unless such amendment shall be approved by the requisite vote of stockholders of the Company entitled to vote thereon within the time period required under such applicable listing standard or rule.

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19.2 Adjustment of Awards Upon the Occurrence of Certain Unusual or Nonrecurring Events. The Committee may make adjustments in the terms and conditions of, and the criteria included in, Awards in recognition of unusual or nonrecurring events (including, without limitation, the events described in Section 4.3 hereof) affecting the Company or the financial statements of the Company or of changes in applicable laws, regulations, or accounting principles, whenever the Committee determines that such adjustments are appropriate in order to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under the Plan; provided, however, that (except as provided in Section 4.3 hereof) the Committee does not have the power to amend the terms of previously granted Options to reduce the exercise price per share subject to such Options, or to cancel such Options and grant substitute Options with a lower exercise price per share than the cancelled Options. The Company is not permitted to purchase for cash previously granted Options with an exercise price that is greater than the Company's trading price on the proposed date of purchase. With respect to any Awards intended to comply with the Performance-Based Exception, any such exception shall be specified at such times and in such manner as will not cause such Awards to fail to qualify under the Performance-Based Exception.

19.3 Awards Previously Granted. No termination, amendment or modification of the Plan or of any Award shall adversely affect in any material way any Award previously granted under the Plan without the written consent of the Participant holding such Award, unless such termination, modification or amendment is required by applicable law and except as otherwise provided herein.

19.4 Compliance with the Performance-Based Exception. If it is intended that an Award (and/or any dividends or Dividend Equivalents relating to such Award) comply with the requirements of the Performance-Based Exception, the Committee may apply any restrictions it deems appropriate such that the Awards (and/or dividends or Dividend Equivalents) maintain eligibility for the Performance-Based Exception. If changes are made to Code Section 162(m) or regulations promulgated thereunder to permit greater flexibility with respect to any Award or Awards available under the Plan, the Committee may, subject to this Article 19, make any adjustments to the Plan and/or Award Agreements it deems appropriate.

Article 20. Withholding

20.1 Tax Withholding. The Company shall have the power and the right to deduct or withhold, or require a Participant to remit to the Company, an amount sufficient to satisfy federal, state, local, domestic or foreign taxes required by law or regulation to be withheld with respect to any taxable event arising as a result of the Plan.

20.2 Use of Shares to Satisfy Withholding Obligation. With respect to withholding required upon the exercise of Options or SARs, upon the vesting or settlement of Restricted Stock, Restricted Stock Units, Performance Shares or Performance Units, or upon any other taxable event arising as a result of Awards granted hereunder, the Committee may require or may permit Participants to elect that the withholding requirement be satisfied, in whole or in part, by having the Company withhold, or by tendering to the Company, Shares having a Fair Market Value equal to the minimum statutory withholding (based on minimum statutory withholding rates for federal and state tax purposes, including payroll taxes) that could be imposed on the transaction and, in any case in which it would not result in additional accounting expense to the Company, taxes in excess of the minimum statutory withholding amounts. Any such elections by a Participant shall be irrevocable, made in writing and signed by the Participant.

Article 21. Indemnification

Each person who is or shall have been a member of the Committee, or of the Board, shall be indemnified and held harmless by the Company to the fullest extent permitted by Delaware law against and from any loss, cost, liability, or expense that may be imposed upon or reasonably incurred by him or her in connection with or resulting from any claim, action, suit, or proceeding to which he or she may be a party or in which he or she may be involved by reason

of any action taken or failure to act under the Plan and against and from any and all amounts paid by him or her in settlement thereof, with the Company's approval, or paid by him or her in satisfaction of any judgment in any such action, suit, or proceeding against him or her, provided he or she shall give the Company an opportunity, at its own expense, to handle and defend the same before he or she undertakes to handle and defend it on his or her own behalf. The foregoing right of indemnification is subject to the person having been successful in the legal proceedings or having acted in good faith and what is reasonably believed to be a lawful manner in the Company's

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best interests. The foregoing right of indemnification shall not be exclusive of any other rights of indemnification to which such persons may be entitled under the Company's Certificate of Incorporation or Bylaws, as a matter of law, or otherwise, or any power that the Company may have to indemnify them or hold them harmless.

Article 22. Successors

All obligations of the Company under the Plan and with respect to Awards shall be binding on any successor to the Company, whether the existence of such successor is the result of a direct or indirect purchase, merger, consolidation, or other event, or a sale or disposition of all or substantially all of the business and/or assets of the Company.

Article 23. Legal Construction

23.1 Gender, Number and References. Except where otherwise indicated by the context, any masculine term used herein also shall include the feminine; the plural shall include the singular and the singular shall include the plural. Any reference in the Plan to an act or code or to any section thereof or rule or regulation thereunder shall be deemed to refer to such act, code, section, rule or regulation, as may be amended from time to time, or to any successor act, code, section, rule or regulation.

23.2 Severability. In the event any provision of the Plan shall be held illegal or invalid for any reason, the illegality or invalidity shall not affect the remaining parts of the Plan, and the Plan shall be construed and enforced as if the illegal or invalid provision had not been included.

23.3 Requirements of Law. The granting of Awards and the issuance of Shares under the Plan shall be subject to all applicable laws, rules, and regulations, and to such approvals by any governmental agencies or national securities exchanges as may be required.

23.4 Governing Law. To the extent not preempted by federal law, the Plan, and all agreements hereunder, shall be construed in accordance with and governed by the laws of the State of Florida, without giving effect to conflicts or choice of law principles.

23.5 Non-Exclusive Plan. Neither the adoption of the Plan by the Board nor its submission to the stockholders of the Company for approval shall be construed as creating any limitations on the power of the Board or a committee thereof to adopt such other incentive arrangements as it may deem desirable, including other incentive arrangements and awards that do or do not qualify under the Performance-Based Exception.

23.6 Code Section 409A Compliance. To the extent applicable, it is intended that this Plan and any Awards granted under the Plan comply with the requirements of Code Section 409A and any related regulations or other guidance promulgated with respect to such Section by the U.S. Department of the Treasury or the Internal Revenue Service (collectively "Section 409A"). Any provision that would cause the Plan or any Award granted under the Plan to fail to satisfy Section 409A shall have no force or effect until amended to comply with Section 409A, which amendment may be retroactive to the extent permitted by Section 409A.

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LENDER PROCESSING SERVICES, INC.
601 RIVERSIDE AVENUE
JACKSONVILLE, FL 32204

VOTE BY INTERNET - www.proxyvote.com

Use the Internet to transmit your voting instructions and for electronic delivery of information up until 11:59 P.M. Eastern Time the day before the cut-off date or meeting date. Have your proxy card in hand when you access the web site and follow the instructions to obtain your records and to create an electronic voting instruction form.

ELECTRONIC DELIVERY OF FUTURE PROXY MATERIALS

If you would like to reduce the costs incurred by our company in mailing proxy materials, you can consent to receiving all future proxy statements, proxy cards and annual reports electronically via e-mail or the Internet. To sign up for electronic delivery, please follow the instructions above to vote using the Internet and, when prompted, indicate that you agree to receive or access proxy materials electronically in future years.

VOTE BY PHONE - 1-800-690-6903

Use any touch-tone telephone to transmit your voting instructions up until 11:59 P.M. Eastern Time the day before the cut-off date or meeting date. Have your proxy card in hand when you call and then follow the instructions.

VOTE BY MAIL

Mark, sign and date your proxy card and return it in the postage-paid envelope we have provided or return it to Vote Processing, c/o Broadridge, 51 Mercedes Way, Edgewood, NY 11717.

TO VOTE, MARK BLOCKS BELOW IN BLUE OR BLACK INK AS FOLLOWS:

M33933-P06141

KEEP THIS
 PORTION FOR
 YOUR RECORDS

THIS PROXY CARD IS VALID ONLY WHEN SIGNED AND DATED.

DETACH AND
 RETURN THIS
 PORTION ONLY

LENDER PROCESSING SERVICES, INC.

**The Board of Directors recommends you vote
 FOR the following:**

- 1. Election of Directors
Nominees
 01) Lee A. Kennedy
 02) Philip G. Heasley
 03) Susan E. Lester

For All	Withhold All	For All Except
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o	o	o
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To withhold authority to vote for any individual nominee(s), mark **For All Except** and write the number(s) of the nominee(s) on the line below.

The Board of Directors recommends you vote FOR proposals 2 and 3.	For	Against	Abstain
2. To ratify the appointment of KPMG LLP as our independent registered public accounting firm for the 2011 fiscal year.	o	o	o
3. To approve, by non-binding vote, executive compensation.	o	o	o

The Board of Directors recommends you vote 1 YEAR on the following proposal:	1 Year	2 Years	3 Years	Abstain
4. To recommend, by non-binding vote, the frequency of votes on executive compensation.	o	o	o	o

The Board of Directors recommends you vote FOR the following proposal:	For	Against	Abstain
5. To approve the Lender Processing Services, Inc. Amended and Restated 2008 Omnibus Incentive Plan.	o	o	o

NOTE: In their discretion, the proxies are authorized to vote upon such other business as may properly come before the meeting.

Please sign exactly as your name(s) appear(s) hereon. When signing as attorney, executor, administrator, or other fiduciary, please give full title as such. Joint owners should each sign personally. All holders must sign. If a corporation or partnership, please sign in full corporate or partnership name, by authorized officer.

Signature [PLEASE SIGN Date
WITHIN BOX]

Signature (Joint Owners) Date

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YOUR VOTE IS IMPORTANT!

You can vote in one of three ways:

1. Call toll-free 1-800-690-6903 on a Touch-Tone telephone and follow the instructions on the reverse side. There is NO CHARGE to you for this call.

or

2. Vote by Internet at our Internet Address: www.proxyvote.com

or

3. Mark, sign and date your proxy card and return it promptly in the enclosed envelope.

PLEASE VOTE

Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting:

The Notice and Proxy Statement and Annual Report are available at www.proxyvote.com.

M33934-P06141

LENDER PROCESSING SERVICES, INC.

THIS PROXY IS SOLICITED BY THE BOARD OF DIRECTORS

FOR THE ANNUAL MEETING OF SHAREHOLDERS TO BE HELD MAY 19, 2011

The undersigned hereby appoints Lee A. Kennedy and Jeffrey S. Carbiener, and each of them, as Proxies, each with full power of substitution, and hereby authorizes each of them to represent and to vote, as designated on the reverse side, all the shares of common stock of Lender Processing Services, Inc. held of record by the undersigned as of March 21, 2011, at the Annual Meeting of Shareholders to be held at 10:00 a.m., Eastern time in the Peninsular Auditorium at 601 Riverside Avenue, Jacksonville, FL 32204 on May 19, 2011, or any adjournment thereof.

This instruction and proxy card is also solicited by the Board of Directors of Lender Processing Services, Inc. for use at the Annual Meeting of Shareholders on May 19, 2011 at 10:00 a.m., Eastern time from persons who participate in either (1) the Lender Processing Services, Inc. 401(k) Profit Sharing Plan (the 401(k) Plan), or (2) the Lender Processing Services, Inc. Employee Stock Purchase Plan (the ESPP), or (3) both the 401(k) Plan and the ESPP.

By signing this instruction and proxy card, the undersigned hereby instructs Wells Fargo Bank Minnesota, N.A., Trustee for the 401(k) Plan and the ESPP, to exercise the voting rights relating to any shares of common stock of Lender Processing Services, Inc. allocable to his or her account(s) as of March 21, 2011. For shares voted by mail, this instruction and proxy card is to be returned to the tabulation agent (Lender Processing Services, Inc., c/o Broadridge, 51 Mercedes Way, Edgewood, NY 11717). All voting instructions for shares in the 401(k) Plan or the ESPP, whether voted by mail, telephone or Internet, must be received by 11:59 PM on May 16, 2011. For the 401(k) Plan, the Trustee will tabulate the votes from all participants received by the deadline and will determine the ratio of votes for and against each item. The Trustee will then vote all shares held in the 401(k) Plan according to these ratios. For the ESPP, the Trustee will vote only those shares that are properly voted by ESPP participants.

Continued and to be signed on reverse side