

Lender Processing Services, Inc.

Form DEF 14A

April 14, 2009

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SCHEDULE 14A INFORMATION

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

(AMENDMENT NO. __)

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
Use of the
Commission Only
(as permitted by
Rule 14a-6(e)(2))

O Definitive
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 14, 2009

Dear Stockholder:

On behalf of the Board of Directors, I cordially invite you to attend the annual meeting of stockholders of Lender Processing Services, Inc. The meeting will be held on May 28, 2009 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 STOCKHOLDERS

To the Stockholders of Lender Processing Services, Inc.:

Notice is hereby given that the 2009 Annual Meeting of Stockholders of Lender Processing Services, Inc. will be held on May 28, 2009 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 two Class I directors to serve until the 2012 annual meeting of stockholders 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 2009 fiscal year;
3. to consider and approve the Lender Processing Services, Inc. 2008 Omnibus Incentive Plan;
4. to consider and approve the Lender Processing Services, Inc. Annual Incentive Plan; and
5. to transact such other business as may properly come before the meeting or any adjournment thereof.

The Board of Directors set March 30, 2009 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 stockholders 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 stockholders 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 14, 2009

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 Stockholders to be held on May 28, 2009 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 Stockholders. 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 14, 2009 to all stockholders 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., 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.

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.

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Who is entitled to vote?

All record holders of LPS common stock as of the close of business on March 30, 2009 are entitled to vote. On that day, 95,514,025 shares were issued and outstanding and eligible to vote, and there were 8,427 stockholders 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 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 four proposals at the annual meeting.

Proposal No. 1 asks you to elect two Class I directors to serve until the 2012 annual meeting of stockholders.

Proposal No. 2 asks you to ratify the appointment of KPMG LLP as the Company's independent registered public accounting firm for the 2009 fiscal year.

Proposal No. 3 asks you to approve the Lender Processing Services, Inc. 2008 Omnibus Incentive Plan, or the *omnibus plan*.

Proposal No. 4 asks you to approve the Lender Processing Services, Inc. Annual Incentive Plan, or the *annual incentive 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.

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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 two 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, 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. 3 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, or *the 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, or *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.

For Proposal No. 4 regarding approval of the annual incentive plan, under Delaware law and in order to satisfy the requirements of Section 162(m) under the Code, the affirmative vote of a majority of the shares present or represented by proxy and entitled to vote would be required for approval.

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 election of directors or ratification of auditors. Nominees cannot vote on non-routine matters, unless they receive voting instructions from beneficial holders, resulting in so-called broker non-votes. For purposes of the Delaware law requirement that a proposal receive the affirmative vote of a majority of the shares present or represented by proxy and entitled to vote, broker non-votes will have no effect. With respect to Proposal No. 3, a broker non-vote is not a vote cast for purposes of the NYSE listing standard that requires that the total vote cast on Proposal No. 3 must represent more than 50% of the total number of shares entitled to vote on the proposal.

What effect does an abstention have?

With respect to Proposal No. 1, 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 a proposal 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. 3, 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. 3 must represent over 50% of the total number of shares entitled to vote on the proposal.

Table of Contents**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 Stockholders, 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 Morrow & Co. to assist in the solicitation of proxies for an estimated fee of \$12,500, plus reimbursement of expenses.

What if I share a household with another stockholder?

We have adopted a procedure approved by the Securities and Exchange Commission, or *SEC*, called householding. Under this procedure, stockholders 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 stockholders notifies us that they wish to continue receiving individual copies. This procedure will reduce our printing costs and postage fees. Stockholders 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 stockholders 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, LLC (in writing: 2 North LaSalle Street, Chicago, Illinois 60602; or by telephone: (800) 568-3476). If you participate in householding and wish to receive a separate copy of the 2008 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, LLC as indicated above. Beneficial stockholders 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 stockholders, or proxy statement, as applicable, to a Company stockholder at a shared address to which a single copy of the document was delivered.

CERTAIN INFORMATION ABOUT OUR DIRECTORS**Information About the Nominees for Election**

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
Marshall Haines	Director Chairman of the Corporate Governance and Nominating Committee and the Compensation Committee, Member of the Audit Committee	41	2008
James K. Hunt	Director Chairman of the Audit Committee, Member of the	57	2008

Corporate Governance and Nominating Committee
and the Compensation Committee

(1) As of April 1, 2009.

Marshall Haines. Marshall Haines has served as a director of our company since May 2008. He served as a director of FIS from February 2006 until the spin-off date. Since March 2004, Mr. Haines has been a principal of

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Tarrant Partners, L.P., an affiliate of Texas Pacific Group. Prior to joining Tarrant Partners, Mr. Haines worked with Bain Capital for ten years, specializing in leveraged buyout transactions in a variety of industries.

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. Since May 2007, Mr. Hunt has served as Chief Executive Officer and Chief Investment Officer of THL Credit Group, L.P., a credit affiliate of Thomas H. Lee Partners, L.P. providing capital to public and private companies for growth, recapitalizations, leveraged buyouts and acquisitions. 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 Primus Guaranty, Ltd.

Information About Our Directors Continuing in Office**Term Expiring 2010**

Name	Position with LPS	Age(1)	Director Since
Jeffrey S. Carbiener	Director President and Chief Executive Officer Member of the Executive Committee	46	2009
John F. Farrell, Jr.	Director Member of the Audit Committee	71	2009

(1) As of April 1, 2009.

Jeffrey S. Carbiener. Jeffrey S. Carbiener has served as the President and Chief Executive Officer of LPS since the spin-off and has served as a director of LPS since March 2009. He served as Executive Vice President and Chief Financial Officer of FIS 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.

John F. Farrell, Jr. John F. Farrell, Jr. has served as a director of LPS 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.

Term Expiring in 2011

Name	Position with LPS	Age(1)	Director Since
Lee A. Kennedy	Director Chairman of the Board	58	2008

Philip G. Heasley	Member of the Executive Committee Director Member of the Compensation Committee and the Corporate Governance and Nominating Committee	59	2009
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(1) As of April 1, 2009.

Lee A. Kennedy. Lee A. Kennedy has served as a director of our company since May 2008 and as Chairman of our Board since March 2009. He has served as a director and as President and Chief Executive Officer of FIS since February 2006. 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

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President, Chief Operating Officer and 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.

Philip G. Heasley. Philip G. Heasley has served as a director of LPS since March 2009. Mr. Heasley has served as the President and CEO of ACI Worldwide, Inc. 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.

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 six. 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 2012:

Marshall Haines
James K. Hunt

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 STOCKHOLDERS VOTE FOR EACH OF THE LISTED NOMINEES.

PROPOSAL NO. 2:

**RATIFICATION OF INDEPENDENT REGISTERED
PUBLIC ACCOUNTING FIRM**

General Information About KPMG LLP

Although stockholder 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 stockholders 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 us and our stockholders. If our stockholders 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 independent registered public accounting firm.

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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.

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Principal Accounting Fees and Services

The Audit Committee has engaged KPMG LLP to audit the consolidated financial statements of the Company for the 2009 fiscal year. Because we were a wholly-owned subsidiary of FIS in 2007, we were not billed separately for any fees during or in connection with our fiscal year ended December 31, 2007. For services rendered to us during or in connection with our fiscal year ended December 31, 2008, we were billed the following fees by KPMG:

	2008 (In thousands)
Audit Fees	\$ 1,327
Audit-Related Fees	221
Tax Fees	
All Other Fees	

Audit Fees. Audit fees consisted principally of fees for the audits, registration statements and other filings related to the Company's 2008 audit, 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 2008 consisted principally of fees for SAS 70 audits including billings for out-of-pocket expenses incurred.

Tax Fees. There were no tax fees in 2008.

All Other Fees. We were not billed for any other fees in 2008.

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. Our pre-approval policy provides that, unless a type of service to be provided by KPMG LLP has been generally pre-approved by the audit committee, it will require specific pre-approval by the audit committee. In addition, any proposed services exceeding pre-approved maximum fee amounts also require pre-approval by the audit committee. Our pre-approval policy provides that 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.

THE BOARD RECOMMENDS THAT THE STOCKHOLDERS VOTE FOR THE RATIFICATION OF KPMG LLP AS THE COMPANY'S INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM FOR THE 2009 FISCAL YEAR.

PROPOSAL NO. 3:

APPROVAL OF THE LENDER PROCESSING SERVICES, INC. 2008 OMNIBUS INCENTIVE PLAN

Purpose of the Plan and Description of the Proposal

Our board of directors recommends that our stockholders ratify and approve the Lender Processing Services, Inc. 2008 Omnibus Incentive Plan, or *omnibus plan*. 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. 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. The omnibus plan authorizes awards in respect of 14,000,000 shares of our common stock. All of the 14,000,000 shares authorized under the plan are available for grants of full-value awards, meaning awards other than stock options, stock appreciation rights or other awards for which the recipient pays the exercise price.

Stockholder 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 Code.

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Section 162(m) of the 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 Code. However, in order to qualify for this exception, stockholders 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 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 of compensation that could be paid to any employee if the performance goals are attained. This information is provided in the description of the omnibus plan below.

We had 5,778,876 stock options outstanding as of March 30, 2009, with a weighted average exercise price of \$32.02 and a weighted average remaining term of 5.4 years. We also had 397,694 full-value awards outstanding in the form of restricted stock as of March 30, 2009. On March 30, 2009, the fair market value of a share of our common stock was \$31.35 per share and we had 7,124,281 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. As of March 30, 2009, William P. Foley, II had 510,398 options outstanding under the plan, Jeffrey S. Carbiener had 1,152,854 options outstanding under the plan, Francis K. Chan had 161,557 options outstanding under the plan, Daniel T. Scheuble had 443,867 options outstanding under the plan, and Eric D. Swenson had 512,158 options outstanding under the plan. All current executive officers as a group had 2,601,332 options outstanding under the plan. All current directors who are not executive officers as a group had 35,956 options outstanding under the plan. The nominees for election as directors had the following number of options outstanding under the plan: Marshall Haines 13,728 options; and James K. Hunt 13,728 options. No associates of such directors, executive officers or nominees have received options under the plan. All employees, including all current officers who are not executive officers, as a group had 2,536,836 options 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 stockholders. 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 stockholders, 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 encourages employees to think and act as stockholders. 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 stockholder returns. We believe that the omnibus plan will enable us to continue to align executive and stockholder 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.

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Effective Date and Duration

The omnibus plan became effective as of July 1, 2008, and authorizes 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 stockholder approval under the NYSE's listing standards or to comply with the securities laws may become effective without stockholder 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 awards may be granted under the plan is 14,000,000. 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.

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

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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.

Maximum Grants under the Omnibus Plan

For purposes of 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 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.

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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.

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. 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.

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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, 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, 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 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, or *the Exchange Act*) 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

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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 stockholders 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 stockholders 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.

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

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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.

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

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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 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.

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 STOCKHOLDERS VOTE FOR THE APPROVAL OF THE OMNIBUS PLAN.

PROPOSAL NO. 4:

**APPROVAL OF THE LENDER PROCESSING
SERVICES, INC. ANNUAL INCENTIVE PLAN**

Description of the Proposal

Our board of directors recommends that our stockholders ratify and approve the Lender Processing Services, Inc. Annual Incentive Plan, or *annual incentive plan*. The annual incentive plan was approved by our board of

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directors and by FIS, as our former parent, prior to the spin-off, and became effective on July 1, 2008. The annual incentive plan is designed to enhance our ability to attract and retain highly qualified executives and to provide such executives with additional financial incentives to promote our success. The annual incentive plan will remain in effect until such time as it is terminated by our board of directors.

Stockholder approval of the annual incentive plan will allow incentive awards paid thereunder to qualify as deductible performance-based compensation within the meaning of Section 162(m) of the Code. Section 162(m) of the 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 annual incentive plan may constitute performance-based compensation not subject to the deductibility limitation of Section 162(m) of the Code. However, in order to qualify for this exception, stockholders must approve the material terms of the performance goals of the annual incentive 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 Code include (i) the employees eligible to receive awards under the annual incentive plan, (ii) a description of the business criteria on which the performance goals are based, and (iii) the maximum amount of compensation that could be paid to any employee if the performance goals are attained. This information is provided in the description of the annual incentive plan below.

The following table sets forth information concerning the minimum, target and maximum awards which may be paid to our executives in 2010 with respect to Company performance in 2009. The dollar value of these possible payouts are based upon the executives' 2009 base salaries. No annual incentive payments may be paid to an executive officer if the minimum performance levels set by our compensation committee are not met. Non-executive directors and non-executive officers are not eligible to participate in the annual incentive plan.

**New Plan Benefits Under the
Annual Incentive Plan**

Name and Position	Dollar Value of Possible Payouts with Respect to 2009 Performance		
	Threshold (\$)	Target (\$)	Maximum (\$)
William P. Foley, II* Chairman of the Board			
Jeffrey S. Carbiener President and Chief Executive Officer	637,500	1,275,000	2,550,000
Francis K. Chan Executive Vice President and Chief Financial Officer	200,000	400,000	800,000
Daniel T. Scheuble Executive Vice President and Co-Chief Operating Officer	321,875	643,750	1,287,500
Eric D. Swenson Executive Vice President and Co-Chief Operating Officer	340,313	680,625	1,361,250
Executive Group*	2,028,438	4,056,875	8,113,750

* Mr. Foley retired as an officer and director of LPS on March 15, 2009.

Description of the Annual Incentive Plan

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

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Administration of the Annual Incentive Plan

The annual incentive plan will be administered by our compensation committee, which we refer to as the committee. Except as otherwise provided by our board of directors, the committee will have full and final authority in its discretion to establish rules and take all actions, including, without limitation, interpreting the terms of the annual incentive plan and deciding all questions of fact arising in connection with the annual incentive plan. All decisions, determinations and interpretations of the committee will be final, binding and conclusive on all persons, including the Company, its subsidiaries, its stockholders, the participants and their estates and beneficiaries.

Amendment and Termination

Our board of directors may at any time and from time to time, alter, amend, suspend, or terminate the annual incentive plan, in whole or in part. However, no amendment that requires stockholder approval in order to maintain the qualification of awards as performance-based compensation under Section 162(m) of the Code will be made without stockholder approval.

Eligibility and Participation

Eligibility under the annual incentive plan is limited to our chief executive officer and each other executive officer that the committee determines, in its discretion, is or may be a covered employee of the Company within the meaning of Section 162(m) of the Code and who is selected by the committee to participate in the annual incentive plan.

Form of Payment

Payment of incentive awards under the annual incentive plan will be made in cash.

Performance Period

The performance period under the annual incentive plan is our fiscal year or such shorter or longer period as determined by the committee.

Designation of Participants, Performance Period and Performance Measures

Within 90 days after the commencement of each performance period (or, if less than 90 days, the number of days which is equal to 25% of the relevant performance period applicable to an award), the committee will (i) select the participants to whom incentive awards will be granted, (ii) designate the applicable performance period, (iii) establish the target award for each participant, and (iv) establish the performance objective or objectives that must be satisfied in order for a participant to receive an incentive award for such performance period.

Performance Objectives

The performance objectives that will be used to determine the degree of payout of incentive awards under the annual incentive plan will be based upon one or more of the following performance measures, as determined by the committee: earnings per share, economic value created, market share (actual or targeted growth), net income (before or after taxes), operating income, 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

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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.

Target Incentive Awards

Each participant will have a target award that will be based on achieving the target performance objectives established by the committee. The target award will be a percentage of the participant's annual salary at the end of the performance period or such other amount as the committee may determine. If the performance objectives established by the committee are met at the target level, the participant will receive an incentive award equal to 100% of the target award. If the performance objectives are met at a level below or above the target level, the participant will receive an incentive award equal to a designated percentage of the target award, as determined by the committee.

Maximum Award

The maximum incentive award that may be paid to a participant under the annual incentive plan in any fiscal year is \$25,000,000.

Committee Discretion

The committee retains the discretion to reduce the amount of any incentive award otherwise payable to a participant under the terms of the annual incentive plan, including a reduction in such amount to zero.

Committee Certification and Payment of Awards

As soon as practicable after the end of each performance period, the committee will (i) determine whether the performance objectives for the performance period have been satisfied, (ii) determine the amount of the incentive award to be paid to each participant for the performance period, and (iii) certify such determination in writing. Awards will be paid no later than the 15th day of the third month following the close of the performance period with respect to which the awards are made.

Termination of Employment

Unless the committee determines otherwise, a participant must be actively employed by LPS or one of its subsidiaries on the last day of the performance period to receive an incentive award under the annual incentive plan for such performance period. The committee, in its discretion, may impose such additional service restrictions as it deems appropriate.

Federal Income Tax Consequences

The following is a brief description of the principal federal income tax consequences relating to incentive awards made under the annual incentive 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.

Participants will recognize ordinary income equal to the amount of the award received in the year of receipt. That income will be subject to applicable income and employment tax withholding. If and to the extent that payments made under the annual incentive plan satisfy the requirements of Section 162(m) of the Code and otherwise satisfy the requirements of deductibility under federal income tax law, we will receive a corresponding deduction for the amount constituting ordinary income to the participant.

**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.

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Percentage ownership in the following table is based on 95,514,025 shares of LPS common stock outstanding as of March 30, 2009. Unless otherwise indicated, each of the stockholders has sole voting and investment power with respect to the shares of common stock beneficially owned by that stockholder. The number of shares beneficially owned by each stockholder 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 stockholder 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
Capital World Investors(1)	11,492,500	12.0
FMR LLC(2)	11,715,635	12.3

(1) According to a Schedule 13G filed February 13, 2009, 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 11,492,500 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.

(2) According to a Schedule 13G filed January 12, 2009, FMR LLC (together with Edward C. Johnson 3d), whose address is 82 Devonshire Street, Boston, Massachusetts 02109, may be deemed to be the beneficial owner of 11,715,635 shares. This amount includes: (a) 11,373,592 shares held by Fidelity Management & Research Company, (b) 2,043 shares held through Strategic Advisers, Inc., (c) 4,600 shares held through Pyramis Global Advisors, LLC; and (d) 335,400 shares held through FIL Limited, in each case as a result of acting as an investment advisor registered under Section 8 of the Investment Company Act of 1940.

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.

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
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Jeffrey S. Carbiener	117,871	573,954	691,825	*
Francis K. Chan	23,404	67,486	90,890	*
William P. Foley, II**	651,219(2)	510,398	1,161,617	1.2
John F. Farrell, Jr.				*
Marshall Haines	2,550	13,728	16,278	*
James K. Hunt	2,550	13,728	16,278	*
Philip G. Heasley				*
Lee A. Kennedy	121,461(3)		121,461	*
Daniel T. Scheuble	42,372	153,954	196,326	*
Eric D. Swenson	45,977	201,758	247,735	*
All directors and officers (13 persons)**	403,073	1,108,867	1,511,940	1.6

* Represents less than 1% of our common stock.

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** Mr. Foley retired as an officer and director of the Company effective March 15, 2009. Accordingly, his holdings of our common stock are not included in the holdings of all directors and officers.

- (1) Represents shares subject to stock options that are exercisable on March 30, 2009 or become exercisable within 60 days of March 30, 2009.
- (2) Included in this amount are 139,795 shares held by Folco Development Corporation, of which Mr. Foley and his spouse are the sole stockholders, and 155,611 shares held by Foley Family Charitable Foundation. Additionally, 35,921 shares included in this amount are pledged in connection with a collateral account held by Mr. Foley at Wachovia Bank, N.A.
- (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, 2008, about our common stock which may be issued under our omnibus plan, which is our only equity compensation plan:

Plan Category	Number of Securities to be Issued upon Exercise of Outstanding Options, Warrants and Rights (a)	Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights	Number of Securities Remaining Available for Future Issuance under Equity Compensation Plans (Excluding Securities Reflected in Column (a))
Equity compensation plans approved by security holders	6,761,115	\$ 31.16	6,565,546(1)
Equity compensation plans not approved by security holders			
Total	6,761,115		6,565,546

- (1) In addition to being available for future issuance upon exercise of options and stock appreciation rights, the 6,565,546 shares remaining available for grant under the omnibus plan as of December 31, 2008 were also available for issuance in connection with awards of restricted stock, restricted stock units, performance shares, performance units or other stock-based awards.

CERTAIN INFORMATION ABOUT OUR EXECUTIVE OFFICERS

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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
Jeffrey S. Carbiener	President and Chief Executive Officer	46
Francis K. Chan	Executive Vice President and Chief Financial Officer	39
Daniel T. Scheuble	Executive Vice President and Co-Chief Operating Officer	50
Eric D. Swenson	Executive Vice President and Co-Chief Operating Officer	49
Todd C. Johnson	Executive Vice President, General Counsel and Corporate Secretary	43
Joseph M. Nackashi	Executive Vice President and Chief Information Officer	45
Parag Bhansali	Executive Vice President, Corporate Development	46
Christopher P. Breakiron	Senior Vice President and Chief Accounting Officer	42

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Francis K. Chan is our Executive Vice President and Chief Financial Officer. He served as FIS's Senior Vice President, Chief Accounting Officer and Controller from December 2005 until the spin-off date. Mr. Chan served as Vice President, Accounting and Financial Operations of old FNF from April 2003 until December 2005, and as Controller of old FNF from 1998 until December 2005. Mr. Chan served in various other management roles with old FNF from July 1995 until 1998. Prior to that, Mr. Chan was employed by KPMG LLP.

Daniel T. Scheuble is our Executive Vice President and Co-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.

Eric D. Swenson is our Executive Vice President and Co-Chief Operating Officer. He served as Executive Vice President of the Mortgage Information Services division of FIS from April 2006 until the spin-off date. Prior to that time, Mr. Swenson was an Executive Vice President of old FNF and served as the President of the Lender Outsourcing Division of former FIS from January 2004 until April 2006. Mr. Swenson served as President and Chief Operating Officer of Fidelity National Information Solutions, Inc., which was a majority-owned subsidiary of old FNF, from August 2001 to December 2002, and as Executive Vice President of Fidelity National Information Solutions, Inc. from December 2002 through December 2003. Prior to August 2001, Mr. Swenson was an Executive Vice President and Regional Manager with old FNF.

Todd C. Johnson is our Executive Vice President, General Counsel and Corporate Secretary. Until the spin-off date, he served as Assistant General Counsel and Corporate Secretary of FIS since February 2006 and of FNF since October 2005. Mr. Johnson also previously 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 is our Executive Vice President and Chief Information Officer. Until the spin-off date, he 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.

Parag Bhansali has served as our Executive Vice President, Corporate Development since March 2009. He previously served as our Senior Vice President, Investor Relations and Strategic Planning from February 2008 until March 2009. Prior to 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.

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 February 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

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 certain of our named executive officers in 2008. Our named executive officers are:

Name	Position
William P. Foley, II	Chairman of the Board*
Jeffrey S. Carbiener	President and Chief Executive Officer
Francis K. Chan	Executive Vice President and Chief Financial Officer
Daniel T. Scheuble	Executive Vice President and Co-Chief Operating Officer
Eric D. Swenson	Executive Vice President and Co-Chief Operating Officer

* Mr. Foley retired as an officer and a director of the Company effective March 15, 2009.

Objectives of our Compensation Program

Our compensation programs are designed to attract and motivate high performing executives with the objective of delivering long-term stockholder 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 stockholders. We believe it is important to deliver strong results for our stockholders, 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 stockholders and strongly motivates executives to build long-term stockholder 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 stockholder 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. Our President and Chief Executive Officer also 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 will be based on a review of an executive's performance and job responsibilities and potential future performance. Our compensation committee may exercise its discretion in modifying any recommended salary adjustments or incentive awards for our executives. Our

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President and Chief Executive Officer will not make recommendations to the compensation committee with respect to his own compensation.

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 stockholder 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. Following the spin-off, our compensation committee met in August 2008 to consider and set our executives' total compensation.

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 financial performance, individual performance, and an executive's experience, knowledge, skills, level of responsibility and expected impact on our future success. The compensation committee also considers corporate governance and regulatory factors related to executive compensation and marketplace compensation practices.

When considering marketplace compensation practices, our compensation committee considers data on base salary, annual incentive targets, long-term incentive targets and all other forms of executive compensation, and generally focuses on levels of compensation from the 50th to the 75th percentiles of market data. The marketplace research provides a point of reference for the committee, but the compensation committee ultimately makes compensation decisions based on all of the factors described above. For 2008, each element of our executives' compensation, including base salary, target annual incentive opportunities, long-term incentive awards and benefits, was set to be within a competitive range of the peer group companies described below. The pay positioning of an individual executive is based upon his individual competencies, skills, experience and performance, as well as internal pay alignment as compared to our other executives.

Role of Compensation Consultants

To further the objectives of our compensation program, the compensation committee engaged Strategic Compensation Group, 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. 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.

To assist the compensation committee in determining 2008 compensation levels, Strategic Compensation Group gathered 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, including general executive compensation surveys prepared by Hewitt Associates and Towers Perrin and a general survey of the compensation practices of all publicly traded companies within a revenue range of \$2 billion to \$2.5 billion, and (2) a peer group of 16 publicly-traded companies. The 16 companies were:

Alliance Data Systems Corp.

Autodesk, Inc.

BMC Software, Inc.

CACI International, Inc.

Choicepoint, Inc.

Cognizant Technology Solutions Corporation

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Convergys Corporation

Equifax Inc.

Global Payments Inc.

Intuit Inc.

Metavante Corporation

Moneygram International Inc.

Paychex, Inc.

Perot Systems Corporation

Total System Services, Inc.

Verisign, Inc.

These companies are in the same general industry as us, and have comparable annual revenues or compete directly with us for key employees. This compensation information provided by Strategic Compensation Group provided a basis for the evaluation of total executive compensation paid to our executive officers, but many other factors were considered by our compensation committee.

Allocation of Total Compensation for 2008

We compensate our executives through a mix of base salary, annual cash incentives and long-term equity-based incentives. We also maintain standard employee benefit plans for our employees and executive officers and provide some limited perquisites. These benefits and perquisites are described later. The compensation committee generally allocates our executive officers' compensation based on the committee's determination of the appropriate ratio of performance-based compensation to other forms of regularly-paid compensation. In making this determination, the compensation committee considers how other companies allocate compensation based on the marketplace data provided by Strategic Compensation Group, as well as each executive's level of responsibility, the individual skills, experience and contribution of each executive, and the ability of each executive to impact company-wide performance and create long-term stockholder value.

In 2008, our named executive officers' compensation was allocated among annual salary, target annual cash incentives and long-term equity-based incentives, with a heavy emphasis on the at-risk, performance-based components of annual cash incentives and long-term equity-based incentives.

Target performance-based incentive compensation comprised 70% to 90% of total target compensation for our named executive officers in 2008. The compensation committee found this range to be appropriate after consideration of the factors described above. The compensation committee also 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 stockholders. Consequently, for 2008, a majority of our named executive officers' total compensation was provided in the form of nonqualified stock options and restricted stock.

When allocating Mr. Foley's compensation among base salary and annual and long-term incentives, our compensation committee considered that Mr. Foley was not employed exclusively by us. Specifically, because Mr. Foley did not dedicate 100% of his time on a day-to-day basis to LPS matters, our compensation committee allocated a smaller portion of his annual compensation to base salary. Rather, because of Mr. Foley's unique experience and his contributions to our long-term strategy and success, our compensation committee heavily weighted Mr. Foley's compensation toward at-risk, performance-based annual and long-term incentive opportunities.

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2008 Executive Compensation Components

For 2008, the principal components of compensation for our named executive officers consisted of:

- base salary,
- performance-based annual cash incentive, and
- long-term equity-based incentive awards.

We also provided our executives with certain retirement and other benefits, as well as limited perquisites, although these items are not significant components of our compensation programs.

Below is a summary of each element of our 2008 compensation programs.

Base Salary

Our compensation committee seeks to provide each of our named executive officers with a level of assured cash compensation for services rendered during the year sufficient, together with performance-based incentive awards, to motivate the executive to consistently perform at a high level. However, base salary is a relatively small component of the total compensation package, as the committee's emphasis is on performance-based, at-risk pay. The compensation committee typically reviews salary levels at least annually as part of its performance review process, as well as in the event of promotions or other changes in executive officers' positions.

In determining increases to an executive's base salary, the compensation committee considers the subjective and quantitative factors described above. In August 2008, our compensation committee reviewed the base salaries of our executive officers, including our named executive officers, and made adjustments to reflect their new positions and responsibilities with us and that we are now a stand-alone public company. The committee approved base salaries of \$850,000 for Mr. Carbiener, \$350,000 for Mr. Chan, \$490,000 for Mr. Scheuble and \$540,000 for Mr. Swenson, in accordance with their respective employment agreements, which are described below. The compensation committee set Mr. Foley's base salary at \$275,000 after considering that he is an employee of FIS and FNF, as well as LPS.

Annual Performance-Based Cash Incentive

Generally, we will award annual cash incentives based upon the achievement of performance goals that are specified in the first quarter of the year. The annual incentives are provided to our executive officers under an annual incentive plan that is designed to allow the annual incentives to qualify as deductible performance-based compensation, as that term is used in Section 162(m) of the Code. The annual incentive plan includes a set of performance goals that can be used in setting incentive awards under the plan. We use the annual incentive plan to provide a material portion of the executives' total compensation in the form of at-risk, performance-based pay.

Following the spin-off, our compensation committee met in the third quarter of 2008 to establish annual incentive award targets for 2008. With the exception of Mr. Foley, our named executive officers' annual incentive targets were set in accordance with their respective employment agreements, which are described below. Mr. Carbiener's target was 150% of base salary, Mr. Chan's target was 100% of base salary, and Messrs. Scheuble's and Swenson's targets were 125% of their respective base salaries. In setting the targets in our executives' employment agreements, the committee considered the executive's position within our organization, level of responsibility and ability to impact company-wide performance and create long-term stockholder value. The committee set Mr. Foley's target at 100% of base salary after consideration of his position within our organization and his unique experience and ability to impact our long-term

strategy and success.

Actual payout under the annual incentive plan can range from one-half to two times the target incentive opportunity, depending on achievement of the pre-established goals described below. However, no annual incentive payments may be paid to an executive officer if the minimum performance levels set by the compensation committee are not met. Minimum performance levels were established to challenge executive officers while providing reasonable opportunities for achievement. Maximum performance levels were established to encourage performance beyond the target levels while placing limits on the annual incentive awards to avoid excessive

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compensation. The ranges of possible payments under our annual incentive plan are set forth in the Grants of Plan-Based Awards table under the column Estimated Possible Payouts Under Non-Equity Incentive Plan Awards.

During the third quarter of 2008, our compensation committee also established performance goals for 2008 relating to the incentive targets described above and set a threshold performance level that needed to be achieved before any awards could be paid. These performance goals were specific, table driven measures, and our compensation committee did not retain discretion to increase the amount of the incentive awards, but did retain discretion to reduce such amounts.

Annual incentive awards for 2008 for our named executive officers were based on meeting objectives for target revenue (target of \$1,825 million), weighted at 40% of the annual incentive target; target earnings before interest and taxes, or EBIT (target of \$449 million), weighted at 40% of the annual incentive target; and for keeping capital expenditures at or below targeted levels (target of \$65 million), weighted at 20% of the annual incentive target.

These three measures are key measures in evaluating the performance of our business. Revenue was selected as a performance goal with the intent of focusing our executives on achieving our revenue growth objectives. The committee believes that revenue is an important measure of financial success that is clearly understood by both our executives and our stockholders. EBIT is calculated by taking GAAP net income and adding back interest expense, interest income, other non-operating expense, equity in earnings of unconsolidated subsidiaries, minority interest expense and income tax expense. For purposes of determining whether the targets under the annual incentive plan have been met, we also adjust our revenue and EBIT results for the financial impact of certain events and activities, including incremental costs relating to the spin-off, merger, acquisition and divestiture activities, certain integration activities, and other restructuring charges. EBIT was selected as a performance goal as it reflects the operating strength and efficiency of the Company, and the goals with respect to capital expenditures were set in order to focus our executives on reducing costs to our business.

For 2008, our actual financial results relating to the performance goals exceeded the maximum level with respect to revenue (2008 revenue was \$1,861.2 million), and exceeded the target level, but did not reach the maximum level, with respect to EBIT (2008 EBIT was \$450.1 million), while capital expenditures were below the threshold level, but not below the maximum level (capital expenditures were \$62.3 million). Accordingly, the incentive awards earned by our named executive officers for 2008, when combined, exceeded their target levels, but were less than the maximum levels. The annual incentive amounts earned under the annual incentive plan were approved by our compensation committee and are reported in the Summary Compensation Table under the column Non-Equity Incentive Plan Compensation.

In addition, in February 2009, our compensation committee approved a discretionary bonus equal to 10% of each executive's base salary. The bonus was paid in recognition of our outstanding performance in 2008 with respect to free cash flow, which was not included in the performance measures evaluated under the annual incentive plan, in recognition of the success of the spin-off and to encourage continued success in 2009. The amounts of the discretionary bonuses are reported in the Summary Compensation Table under the Bonus column.

Long-Term Equity Incentive Awards

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 or third 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

compensation committee regularly reviews the dilutive impact of our long-term incentive awards on our stockholders.

Awards under the omnibus plan are granted on the date they are approved by the committee, and the exercise price for stock options awarded under the omnibus plan is the closing price of our common stock on the NYSE on the date of grant. The omnibus plan does not permit us to amend the terms of previously granted options to reduce the exercise price per share (except in the case of certain equity restructurings or other changes in our capitalization)

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or to cancel outstanding options and grant substitute options with a lower exercise price per share. Moreover, the omnibus plan does not permit us to purchase outstanding underwater options from participants for cash.

In 2008, we used a combination of nonqualified stock options and restricted stock to provide long-term incentives to our executive officers. Our compensation committee believes stock options and restricted stock assist in its goal of creating long-term stockholder value by linking the interests of our named executive officers, who are in positions to directly influence stockholder value, with the interests of our stockholders and should constitute a significant portion of our named executive officers' total compensation. A description of the omnibus plan can be found under the heading "Stock Incentive Plans" following the Grants of Plan-Based Awards table.

In August 2008, our compensation committee approved grants of nonqualified stock options and restricted stock to each of our named executive officers pursuant to the omnibus plan. The number of shares and the exercise prices of the stock options subject to these grants are disclosed in the Grants of Plan-Based Awards table.

Our compensation committee considers several factors when determining award levels, and ultimately uses its judgment when making individual grants. The factors the committee considers include the following:

- the executive's level of responsibility and potential to influence Company performance;
- the executive's level of experience and skills;
- an analysis of competitive marketplace compensation data provided to the committee by Strategic Compensation Group;
- our current business environment, objectives and strategy; and
- the need to retain and motivate our executives.

In each case, the stock options were awarded with 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. The restricted stock vests proportionately each year over three years based on the executive's continued employment with us. In addition to aligning the executive's interest with the interests of our stockholders, we believe these awards aid in retention, because the executive must remain with us for three years before the awards fully vest.

In addition, in March 2008, FIS's compensation committee approved a one-time award of restricted stock to certain of its executives, including our named executive officers. The purpose of the award was to retain executive talent, recognize individual achievement and further tie the interests of FIS's executives to those of its shareholders. The shares of restricted stock were granted pursuant to the Certegy Inc. Stock Incentive Plan, or *the Certegy plan*, and the restrictions on such shares lapse with respect to 1/8th of the aggregate number of shares granted as of the end of each fiscal quarter beginning June 30, 2008 and concluding March 31, 2010.

In connection with the spin-off, with the exception of Mr. Foley, our named executive officers' FIS stock options and shares of restricted stock, including those granted in March 2008, were converted into stock options to purchase shares of our common stock and restricted shares of our common stock. The exercise prices of the option awards and the number of shares subject to each option and restricted stock award were adjusted to reflect the differences in price between FIS's and our common stock. Mr. Foley's FIS stock options and restricted stock awards were split, and only one-third of his awards were replaced with LPS stock options and restricted stock.

Further details concerning the stock option and restricted stock awards made in 2008 to our named executive officers are provided in the Grants of Plan-Based Awards table and the related footnotes.

Retirement and Employee Benefit Plans

We provide retirement and other benefits to our U.S. employees under a number of compensation and benefit plans. Our named executive officers generally participate in the same compensation and benefit plans as our other executives and employees. All employees in the United States, including our named executive officers, are eligible to participate in our 401(k) plan and our Employee Stock Purchase Plan, or *ESPP*. In addition, our named executive officers generally participate in the same health and welfare plans as our other employees. Mr. Carbiener also continues to participate in the FIS Executive Life and Supplemental Retirement Benefit Plan, which we refer to as

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the FIS split dollar plan, and the FIS Special Supplemental Executive Retirement Plan, which we refer to as *the FIS special plan*, which are described below.

Executive Life and Supplemental Retirement Benefit Plan and Special Supplemental Executive Retirement Plan

FIS maintains the FIS split dollar plan and the FIS special plan. The purpose of the FIS split dollar plan is to reward executives for their service to the company and to provide an incentive for future service and loyalty. The plan provides benefits through life insurance policies on the lives of participants. Following the spin-off, Mr. Carbiener retained death benefits under the FIS split dollar plan, but does not have deferred cash accumulation benefits under the plan as a result of amendments made to the plan to comply with applicable law resulting from the Sarbanes-Oxley Act of 2002.

To replace the lost cash accumulation benefits, FIS adopted the FIS special plan. The FIS special plan provides participants with a benefit opportunity comparable to the deferred cash accumulation benefit opportunity that would have been available had they been able to continue participation in the FIS split dollar plan. Information regarding Mr. Carbiener's continuing benefits under the FIS special plan, as well as material terms of the FIS special plan, can be found in the Nonqualified Deferred Compensation table and accompanying narrative. We do not maintain any similar supplemental plans.

401(k) Plan

We sponsor a defined contribution savings plan that is intended to be qualified under Section 401(a) of the Internal Revenue Code. The plan contains a cash or deferred arrangement under Section 401(k) of the Internal Revenue Code, as well as an employee stock ownership plan feature. Participating employees may contribute up to 40% of their eligible compensation, but not more than statutory limits (generally \$15,500 in 2008). We contribute an amount equal to 50% of each participant's voluntary contributions under the plan, up to a maximum of 6% of eligible compensation for each participant. Matching contributions are initially invested in shares of our common stock, although a participant may subsequently direct the trustee to invest those funds in any other investment option available under the plan.

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.

Deferred Compensation Plans

We also provide our named executive officers, as well as other key employees, with the opportunity to defer receipt of their compensation under a non-qualified deferred compensation plan. Mr. Chan is the only named executive officer who has deferred compensation under the plan. A description of the plan and information regarding Mr. Chan's deferrals under the plan can be found in the Nonqualified Deferred Compensation table and accompanying narrative.

Employee Stock Purchase Plan

We sponsor an Employee Stock Purchase Plan, or *ESPP*, which provides a program through which our executives and employees can purchase shares of our common stock through payroll deductions and through matching employer contributions. Participants may elect to contribute between 3% and 15% of their salary into the ESPP through payroll deduction. At the end of each calendar quarter, we make a matching contribution to the account of each participant who has been continuously employed by us or a participating subsidiary for the last four calendar quarters. For most employees, matching contributions are equal to 1/3 of the amount contributed during the quarter that is one year

earlier than the quarter in which the matching contribution is made. For certain officers, including our named executive officers, and for employees who have completed at least ten consecutive years of employment with us, the matching contribution is 1/2 of such amount. The matching contributions, together with the employee deferrals, are used to purchase shares of our common stock on the open market. The ESPP was approved by FIS, as our former parent, prior to the spin-off.

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Health and Welfare Benefits

We sponsor various broad-based health and welfare benefit plans for our employees. Certain executives, including the named executive officers, are provided with additional life insurance. The taxable portion of the premiums on this additional life insurance is reflected in the Summary Compensation Table under the column All Other Compensation and the related footnote.

Perquisites and Other Benefits

We provide few perquisites to our executives. In general, the perquisites provided are intended to help our executives be more productive and efficient and to protect us and the executive from certain business risks and potential threats. In 2008, certain executive officers received the following perquisites: personal use of corporate airplane; assistance with financial planning; car allowance and reimbursement of club membership dues. The compensation committee regularly reviews the perquisites granted to our executive officers. We recently stopped providing car allowances, reimbursement of club membership dues and financial planning assistance. The compensation committee regularly reviews the perquisites provided to our executive officers and believes they are reasonable and within market practice. Further detail regarding executive perquisites in 2008 can be found in the Summary Compensation Table under the column All Other Compensation and the related footnote.

Post-Termination Compensation and Benefits

We have entered into employment agreements with each of our named executive officers except for Mr. Foley. These agreements provide us and the executives with certain rights and obligations following a termination of employment, and in some instances, following a change in control. We believe these agreements are necessary to protect our legitimate business interests, as well as to protect the executives in the event of certain termination events. A description of the material terms of Messrs. Carbiener's, Chan's, Scheuble's and Swenson's employment agreements can be found in the narrative following the Grants of Plan-Based Awards table and in the Potential Payments Upon Termination or Change in Control section.

Mr. Foley retired from his position as an officer and director of the Company effective March 15, 2009. In connection with his retirement, our compensation committee approved a separation payment to Mr. Foley in the amount of \$6,000,000, payable in cash as a lump sum upon Mr. Foley's retirement. The compensation committee also approved the acceleration of vesting of all of the restricted shares of LPS common stock held by Mr. Foley effective as of March 15, 2009. Mr. Foley held 81,148 shares of restricted LPS common stock with a market value of \$2,274,578 based on the closing price of our common stock of \$28.03 on March 13, 2009 (the last day of trading prior to Mr. Foley's retirement). Mr. Foley's stock options that were vested prior to his retirement may be exercised or terminate in accordance with the terms of the omnibus plan and the related award agreements. Based upon the closing price of our common stock on March 13, 2009, Mr. Foley held vested stock options with a market value of \$462,828 upon his retirement. All of Mr. Foley's unvested stock options were forfeited upon his retirement.

Stock Ownership Guidelines

We established formal stock ownership guidelines in August 2008 for all corporate officers, including the named executive officers, and members of our board, to encourage such individuals to hold a multiple of their base salary (or annual retainer) in our common stock. The guidelines call for an executive or director to reach the ownership multiple within four years. Shares of restricted stock and unrealized gain on stock options count toward meeting the guidelines. The guidelines, including those applicable to non-employee directors, are as follows:

Position	Minimum Aggregate Value
Chairman and CEO	5 × base salary
Other Officers	2 × base salary
Members of the Board	5 × annual retainer

As of December 31, 2008, Messrs. Kennedy, Carbiener, Chan, Scheuble and Swenson met the requirements of the stock ownership guidelines. The compensation committee may consider the guidelines and an executive's satisfaction of such guidelines in determining executive compensation.

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Executive Compensation Recoupment

In the event of a material restatement of our financial results, our board of directors will review the facts and circumstances that led to the restatement and will take such action as it may deem appropriate. The board will consider whether any executive officer received compensation based on the original financial statements because it appeared he or she achieved financial performance targets that, based upon the restatement, were not actually achieved. The board will also consider the accountability of any named executive officer whose acts or omissions were responsible in whole or in part for the events that led to the restatement and whether such actions or omissions constituted misconduct. The actions the board might take against a particular executive officer in such an event, depending on all facts and circumstances as determined during its review, include the recoupment of all or part of any bonus or other compensation paid to the executive officer that was based upon achievement of financial results that were subsequently restated; disciplinary actions, up to and including termination; and/or the pursuit of other available remedies.

Tax and Accounting Considerations

The compensation committee considers the impact of tax and accounting treatment when determining executive compensation.

Section 162(m) of the Internal Revenue Code places a limit of \$1,000,000 on the amount that can be deducted in any one year for compensation paid to certain executive officers. There is, however, an exception for certain performance-based compensation. The compensation committee takes the deduction limitation under Section 162(m) into account when structuring and approving awards under our annual incentive plan and omnibus plan.

Compensation paid under our annual incentive plan and awards granted under the omnibus plan are generally intended to qualify as performance-based compensation. However, in certain situations, the compensation committee may approve compensation that will not meet these requirements.

The compensation committee also considers accounting impact when structuring and approving awards. We account for stock-based payments, including stock option grants, in accordance with Statement of Financial Accounting Standards No. 123(R), *Share Based Payment*, which we refer to as FAS 123(R).

All non-qualified pension and other benefits have been modified to be in full compliance with the American Jobs Creation Act of 2004, which imposes tax penalties unless the form and timing of distributions are fixed to eliminate executive and company discretion.

Compensation Committee Report

The compensation committee has reviewed and discussed the Compensation Discussion and Analysis required by Item 402(b) of Regulation S-K with management, and the compensation committee recommended to the board that the Compensation Discussion and Analysis be included in this Proxy Statement.

THE COMPENSATION COMMITTEE

Marshall Haines, Chairman
Philip G. Heasley
James K. Hunt

Executive Compensation

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The following table sets forth information concerning the 2008, 2007 and, for Messrs. Foley and Carbiener, 2006 cash and non-cash compensation awarded to or earned by our named executive officers. The 2006 compensation of the named executive officers other than Messrs. Foley and Carbiener is not shown because they were not named executive officers in 2006 and their compensation information has not previously been disclosed. The information in this table includes compensation earned by the individuals for services to LPS, or to FIS while LPS was still an operating segment of FIS. The amounts we report reflect all of the compensation paid by FIS, whether or not allocable to services provided to us, except with respect to Mr. Foley's 2008 compensation. Because Mr. Foley is still an executive officer of FIS, the 2008 amounts we report reflect only (i) the portion of Mr. Foley's salary paid by

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FIS prior to the spin-off which was allocated to services performed on behalf of LPS, (ii) compensation earned by Mr. Foley with respect to services provided to LPS following the spin-off, and (iii) the dollar amount recognized for financial statement reporting purposes in accordance with FAS 123(R) with respect to (a) Mr. Foley's FIS options and restricted stock which were converted to LPS options and restricted stock in the spin-off, and (b) his LPS options and restricted stock which were granted following the spin-off. The amounts of compensation shown below do not necessarily reflect the compensation such person will receive in the future, which could be higher or lower.

Summary Compensation Table

Name and Principal Position	Fiscal Year	Salary (\$)(1)	Bonus (\$)(2)	Stock Awards (\$)(3)	Option Awards (\$)(4)	Change in Pension Value and Non-Equity Incentive Plan Compensation		All Other Compensation (\$)(7)	Total (\$)
						Non-Equity Incentive Plan Earnings (\$)(5)	Nonqualified Deferred Compensation Earnings (\$)(6)		
William P. Foley, II* Chairman of the Board	2008	331,322	27,500	456,575	4,195,469	440,193		51,376	5,502,4
	2007	537,500		729,329	10,050,710	913,913		187,253	12,418,7
	2006	417,535		152,598	13,007,899	2,407,821		161,774	16,147,6
Gregory S. Diener President and Chief Operating Officer	2008	660,833	85,000	547,120	2,777,362	2,040,893		33,698	6,144,9
	2007	485,897		188,547	1,257,496	375,887		14,888	2,322,7
	2006	359,627	500,000		1,111,763	600,000	61,595	329,100	2,962,0
Francis K. Chan Executive Vice President	2008	332,520	35,000	93,972	315,017	560,245		29,648	1,366,4
	2007	259,375			125,511	68,143		24,019	477,0
Michael T. Heuble Executive Vice President	2008	466,094	49,000	238,797	1,431,241	980,429		47,136	3,212,6
	2007	425,000		16,517	574,713	224,213		12,385	1,252,8
David D. Swenson Executive Vice President	2008	516,823	54,000	323,363	1,600,004	1,080,473		58,940	3,633,6
	2007	497,740		99,099	658,960	250,591		51,975	1,558,3

- * Mr. Foley retired as an officer and director of LPS effective March 15, 2009.
- (1) Amounts shown are not reduced to reflect the named executive officers' elections, if any, to defer receipt of salary into our 401(k) plan, ESPP or non-qualified deferred compensation plan. Mr. Foley's 2008 base salary includes amounts paid by LPS following the spin-off as well as the portion of Mr. Foley's salary paid by FIS prior to the spin-off which was allocated to services performed on behalf of LPS.
 - (2) Represents a discretionary bonus paid in 2009 in recognition of the Company's performance in 2008 with respect to free cash flow, in recognition of the success of the spin-off and to encourage continued success in 2009. With respect to Mr. Carbiener, the 2006 amount represents a contractual bonus paid in 2006 in connection with the Certegy merger.
 - (3) 2008 amounts represent the dollar amount recognized for financial statement reporting purposes in accordance with FAS 123(R), excluding forfeiture assumptions, for the fiscal year ended December 31, 2008 of restricted stock awards granted by LPS and FIS in fiscal year 2008. 2008 and 2007 amounts with respect to Messrs. Scheuble and Swenson, and 2006 and 2007 amounts with respect to Mr. Foley include the dollar amount recognized for financial statement reporting purposes in accordance with FAS 123(R), excluding forfeiture assumptions, for those fiscal years of restricted stock awards granted by old FNF in 2003 and assumed by FIS in the merger between it and old FNF. With respect to Mr. Carbiener, 2007 amounts represent the dollar amount recognized for financial statement reporting purposes in accordance with FAS 123(R), excluding forfeiture assumptions, with respect to a restricted stock award granted by FIS as a merit bonus in 2007.
 - (4) Represents the dollar amount recognized for financial statement reporting purposes in accordance with FAS 123(R), excluding forfeiture assumptions, for the fiscal years ended December 31, 2008, 2007 and 2006, of stock option awards granted in and prior to fiscal years 2008, 2007 and 2006. These awards consisted of options granted by LPS and FIS, options granted to acquire shares of old FNF under old FNF plans that FIS assumed in the merger between it and old FNF and options to acquire shares of former FIS under a former FIS plan assumed by FIS in the Certegy merger. Assumptions used in the calculation of these amounts are included

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in Note 11 to our consolidated and combined financial statements for the year ended December 31, 2008 included in our Annual Report on Form 10-K filed with the SEC on March 17, 2009. For Mr. Foley, 2006 amounts include \$8.9 million recorded relating to former FIS's performance-based stock option awards for which the vesting criterion was met during 2006 after the merger between Certegy and former FIS.

- (5) Represents amounts paid pursuant to our annual incentive plan which were earned in 2008 and paid in 2009, and amounts paid pursuant to FIS's annual incentive plan which were earned in 2006 and paid in 2007, and earned in 2007 and paid in 2008.
- (6) Represents the change in pension value in 2006 for Mr. Carbiener under the Fidelity National Information Services, Inc. Pension Plan, or *the FIS pension plan*. In July 2007, FIS received a determination letter from the Internal Revenue Service permitting it to distribute all pension plan benefits in the form of lump sums and annuity contracts, and to terminate the plan effective as of May 31, 2006. Mr. Carbiener elected to receive a lump sum under the plan, and received a payment of \$157,464 on October 31, 2007. In 2007, Mr. Carbiener experienced a negative change in value of \$18,347 under the FIS pension plan, which amount is not disclosed above and represents the difference between Mr. Carbiener's interest in the pension plan as of December 31, 2006 and the lump sum he received in October 2007.
- (7) Amounts shown for 2008 include matching contributions to FIS's and LPS's 401(k) plans and employee stock purchase plans; dividends paid on restricted stock; life insurance premiums paid by FIS and LPS; dividends from the split dollar plan, which are reinvested in the plan; personal use of a company airplane (which is calculated based upon the per seat hourly cost of operating the airplane and the number of hours of personal usage by each executive); financial planning services; car allowance; and reimbursement of club membership dues as set forth below:

	Foley	Carbiener	Chan	Scheuble	Swenson
401(k) Matching Contributions	\$	\$ 6,900	\$ 6,900	\$ 6,900	\$ 6,900
ESPP Matching Contributions			19,219	31,875	34,219
Restricted Stock Dividends	16,599	17,775	3,448	8,154	11,686
Life Insurance Premiums	237	135	81	207	135
Dividends from Split Dollar Plan		7,220			
Personal Airplane Use	16,662	1,668			
Financial Planning Services	17,024				
Car Allowance					6,000
Club Membership Dues	855				

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The following table sets forth information concerning (i) awards granted to the named executive officers by LPS following the spin-off, (ii) stock and option awards granted to the named executive officers by LPS in the spin-off with respect to awards granted by FIS during the fiscal year ended December 31, 2008, and (iii) non-equity incentive plan awards granted to the named executive officers by LPS during the fiscal year ended December 31, 2008. The table does not include option or restricted stock awards originally granted by FIS prior to 2008 which were converted to LPS option and restricted stock awards in the spin-off.

Grants of Plan-Based Awards

Name	Grant Date	Estimated Possible Payouts under Non-Equity Incentive			(d) All Other Stock Awards: Number of	(e) All Other Option Awards: Number of	(f) Exercise or Base Price of Option Awards (\$)	(g) Grant Date Fair Value of Stock and Option Awards (\$)(4)
		Plan Awards(1)			Shares of Stock or Units #(2)	Securities Underlying Options #(3)		
		(a) Threshold (\$)	(b) Target (\$)	(c) Maximum (\$)				
William P. Foley, II	8/13/2008 3/20/2008 N/A	137,500	275,000	550,000	75,000 9,838	250,000	34.58	4,731,000 333,213
Jeffrey S. Carbiener	8/13/2008 3/20/2008 N/A	637,500	1,275,000	2,550,000	75,000 12,126	250,000	34.58	4,731,000 410,708
Francis K. Chan	8/13/2008 3/20/2008 N/A	175,000	350,000	700,000	15,000 2,173	50,000	34.58	946,200 73,600
Daniel T. Scheuble	8/13/2008 3/20/2008 N/A	306,250	612,500	1,225,000	30,000 7,207	100,000	34.58	1,892,400 244,101
Eric D. Swenson	8/13/2008 3/20/2008 N/A	337,500	675,000	1,350,000	30,000 8,122	100,000	34.58	1,892,400 275,092

(1) The amounts shown in column (a) reflect the minimum payment level under the LPS annual incentive plan, which is 50% of the target amount shown in column (b). The amount shown in column (c) for everyone is 200% of such target amount.

- (2) The amounts shown in column (d) reflect (i) the number of shares of our restricted stock granted under the omnibus plan on August 13, 2008, which vest ratably over three years on the anniversary of the date of grant, and (ii) shares of restricted stock granted under the omnibus plan on July 2, 2008 in the spin-off in replacement of restricted stock awards granted by FIS on March 20, 2008, which vest with respect to 1/8th of the total number of shares granted on the last day of each fiscal quarter beginning on June 30, 2008, with the final vesting taking place on March 31, 2010.
- (3) The amounts shown in column (e) reflect the number of stock options granted to each named executive officer under the omnibus plan on August 13, 2008. The options vest ratably over three years on the anniversary of the date of grant.
- (4) The grant date fair value of the options granted on August 13, 2008 was determined based upon a grant date fair value per option of \$8.55. The grant date fair value of the shares of restricted stock granted in 2008 was determined based upon the closing price on the date of grant (\$33.87 per share on March 20, 2008 (as adjusted to reflect the difference in prices between FIS's and our common stock on the date of the spin-off) and \$34.58 per share on August 13, 2008).

Employment Agreements

In August 2008, we entered into employment agreements with certain of our senior executives, including Messrs. Carbiener, Chan, Scheuble and Swenson. We did not have an employment agreement with Mr. Foley. Each

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named executive officer's employment agreement is for a three-year term expiring on December 31, 2011, with automatic annual extensions following the initial three-year period and continuing thereafter unless either party provides timely notice that the term should not be extended. Each named executive officer's employment agreement provides that he is entitled to supplemental disability insurance sufficient to provide at least 2/3 of his pre-disability base salary, and that the executive and his eligible dependents are entitled to medical and other insurance coverage we provide to our other top executives as a group. The agreements further provide that the executive is eligible to receive equity grants under our equity incentive plans, as determined by our compensation committee.

Jeffrey S. Carbiener

Mr. Carbiener's employment agreement provides that he will serve as the Company's President and Chief Executive Officer, and will receive a minimum annual base salary of \$850,000. The agreement further provides that Mr. Carbiener's annual cash bonus target under our annual incentive plan will be 150% of his base salary, with higher or lower amounts payable depending on performance relative to targeted results.

Francis K. Chan

Mr. Chan's employment agreement provides that he will serve as the Company's Executive Vice President and Chief Financial Officer, and will receive a minimum annual base salary of \$350,000. Under his employment agreement, Mr. Chan's annual cash bonus target under our annual incentive plan will be 100% of his base salary, with higher or lower amounts payable depending on performance relative to targeted results.

Daniel T. Scheuble

Mr. Scheuble's employment agreement provides that he will serve as Executive Vice President and Co-Chief Operating Officer of the Company, and that Mr. Scheuble will receive a minimum annual base salary of \$490,000. Under his employment agreement, Mr. Scheuble's annual cash bonus target under our annual incentive plan will be 125% of his base salary, with higher or lower amounts payable depending on performance relative to targeted results.

Eric D. Swenson

Mr. Swenson's employment agreement provides that he will serve as Executive Vice President and Co-Chief Operating Officer of the Company, and that Mr. Swenson will receive a minimum annual base salary of \$540,000. Under his employment agreement, Mr. Swenson's annual cash bonus target under our annual incentive plan will be 125% of his base salary, with higher or lower amounts payable depending on performance relative to targeted results.

Each named executive officer's employment agreement contains provisions related to the payment of benefits upon certain termination events. The details of these provisions are set forth in the Potential Payments Upon Termination or Change in Control section.

Stock Incentive Plans

Omnibus Plan

We used the Lender Processing Services, Inc. 2008 Omnibus Incentive Plan, or *omnibus plan*, for long-term incentive compensation of our executive officers in 2008. The omnibus plan is administered by our compensation committee and permits the granting of stock options, stock appreciation rights, restricted stock, restricted stock units, performance shares, performance units and other cash or stock-based awards. Eligible participants include all employees, directors and consultants of the Company and our subsidiaries, as determined by the committee. 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 omnibus plan was approved by our former parent FIS prior to the spin-off.

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Each award granted under the omnibus plan is subject to an award agreement, which sets forth the participant's rights with respect to the award following termination of employment or service. In addition, except as otherwise provided in a participant's award agreement, upon the occurrence of a change in control, all outstanding awards will immediately vest. Further details are set forth in the Potential Payments Upon Termination or Change in Control section.

Effective as of the spin-off, with the exception of Mr. Foley, our named executive officers' FIS stock options and shares of FIS restricted stock were forfeited and replaced with options to purchase shares of LPS common stock and shares of LPS restricted stock. Because Mr. Foley continued to serve as an executive of FIS, his FIS stock options and shares of FIS restricted stock were split, and only one-third of his FIS options and shares of FIS restricted stock were replaced with LPS options and shares of LPS restricted stock.

These awards were granted under the omnibus plan. The exercise prices and numbers of shares subject to each option grant, and the number of shares subject to each restricted stock award, were adjusted to reflect the differences in FIS's and our common stock prices. These replacement awards have the same terms and conditions as the forfeited FIS awards, and the shares will vest on the same dates the FIS awards would have vested. Further details are set forth in the Potential Payments Upon Termination or Change in Control section.

FNRES Stock Plan

During the year ended December 31, 2008, Mr. Foley also had options outstanding under the FNRES Holdings, Inc. 2007 Stock Incentive Plan, or *the FNRES stock plan*. The FNRES stock plan was adopted in 2007 and was maintained by FNRES Holdings, Inc., or *FNRES*, and administered by the FNRES board, or by one or more committees appointed by the FNRES board. The plan permits the granting of stock options or stock awards of FNRES stock. Eligible participants are selected by the FNRES board, or designated committee, and include employees, directors and consultants of FNRES and its affiliates. The FNRES board, or designated committee, has full authority and sole discretion to take actions to administer, operate, and interpret the plan, or to amend, suspend, or terminate the plan.

The options granted under the FNRES stock plan vest upon the earliest to occur of (i) a change in control or (ii) following an initial public offering; provided that in each case the options vest only if the equity value of a share of FNRES common stock equals at least \$20.00 per share (subject to adjustment) and Mr. Foley's service with FNRES has not been terminated. If the equity value target is not met at the time of a change in control, FNRES will use commercially reasonable efforts to have the acquirer or the surviving or continuing company assume or continue, as the case may be, the unvested options on the same (or as nearly as practicable) terms and conditions as set forth herein. If the acquirer does not agree to assume or continue the options, then the options will terminate. For purposes of the FNRES plan, the term "equity value" means (i) in the event of a change in control, the aggregate amount of per share net proceeds (other than any taxes) of cash or readily marketable securities and the discounted expected value of any other deferred consideration received or to be received by the holders of FNRES common stock (including all shares issuable upon exercise of in-the-money options, whether or not exercisable); or (ii) at any time after an initial public offering, the average price of FNRES common stock over a consecutive 45-day trading period; provided, however, that the full 45-day trading period must conclude on or prior to the expiration date of the option. The term "change in control" for this purpose means a transaction or related series of transactions through which a person or group other than certain current stockholders and their affiliates become the direct or indirect beneficial owners of more than the greater of (i) 35% of the outstanding shares of FNRES stock or (ii) the percentage of outstanding voting stock owned directly or indirectly by these stockholders.

Because the vesting of the options is contingent upon performance and market criteria which were not met in 2008, we did not incur any expense for financial statement reporting purposes for fiscal year 2008 pursuant to FAS 123(R). Therefore, the Summary Compensation Table does not include any amounts associated with the FNRES options. As

of December 31, 2008, we owned approximately 39% of FNRES's common stock and accounted for FNRES under the equity method. However, on February 6, 2009, we acquired the remaining 61% of FNRES's outstanding common stock from FNF, and all options outstanding under the FNRES plan, including Mr. Foley's options, were terminated at that time.

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The following table sets forth information concerning unexercised stock options and unvested restricted stock outstanding as of December 31, 2008 for each named executive officer:

Outstanding Equity Awards at Fiscal Year-End

Name	Grant Date(1)	Option Awards				Stock Awards	
		Number of Securities	Number of Securities	Option Exercise Price	Option Expiration Date	Number of Shares or	Market Value of Shares or
		Underlying Unexercised Options (#)	Underlying Unexercised Options (#)(2)			Units of Stock that have not Vested (#)(3)	Units of Stock that have not Vested (\$)(4)
William P. Foley, II	10/15/2004	159,376(5)		25.51	10/15/2012		
	3/9/2005	243,885(6)		13.67	3/9/2015		
	8/19/2005	63,750(5)		27.07	8/19/2015		
	11/9/2006	211,005	105,502	36.15	11/9/2013		
	12/20/2007	76,267	152,533	37.20	12/20/2014		
	3/20/2008					6,148	181,059
	8/13/2008		250,000	34.58	8/13/2015	75,000	2,208,750
Jeffrey S. Carbiener	12/10/1999	15,341		14.99	12/10/2009		
	1/31/2000	23,246		14.01	1/31/2010		
	1/29/2001	7,641		18.95	1/29/2011		
	10/31/2001	13,215		22.76	10/31/2011		
	2/12/2002	6,443		27.92	2/12/2012		
	2/12/2002	43,997		27.92	2/12/2012		
	2/4/2004	21,715		26.00	2/4/2011		
	2/4/2005	27,656		28.15	2/4/2012		
	2/1/2006	200,200	200,200	34.51	2/1/2013		
	12/20/2007	114,400	228,800	37.20	12/20/2014		
	3/20/2008					7,578	223,172
	8/13/2008		250,000	34.58	8/13/2015	75,000	2,208,750
Francis K. Chan	4/16/2001	6,346(5)		7.36	4/16/2011		
	9/10/2004	19,078(5)		19.56	9/10/2014		
	3/9/2005	6,243(6)	1,561	13.67	3/9/2015		
	3/9/2005	6,829(6)		13.67	3/9/2015		
	12/22/2006	14,300	14,300	35.18	12/22/2016		
	12/20/2007	14,300	28,600	37.20	12/20/2014		
	3/20/2008					1,357	39,964
	8/13/2008		50,000	34.58	8/13/2015	15,000	441,750
	3/9/2005	17,560(6)	11,707	13.67	3/9/2015		

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Daniel T. Scheuble	12/22/2006	57,200	28,600	35.18	12/22/2016		
	12/20/2007	76,267	152,533	37.20	12/20/2014		
	3/20/2008					4,504	132,643
	8/13/2008		100,000	34.58	8/13/2015	30,000	883,500
Eric D. Swenson	3/9/2005	58,536(6)	39,022	13.67	3/9/2015		
	12/22/2006	57,200	28,600	35.18	12/22/2016		
	12/20/2007	76,267	152,533	37.20	12/20/2014		
	3/20/2008					5,075	149,459
	8/13/2008		100,000	34.58	8/13/2015	30,000	883,500

(1) Reflects the original date of grant of the award.

(2) The unvested options that we granted in 2005 to Messrs. Chan, Scheuble and Swenson vest quarterly over a 5-year period from the date of grant, with the final vesting taking place on December 31, 2009. The unvested

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options listed above that we granted in 2006, 2007 and 2008 vest annually over 3 years from the date of grant, except for those granted to Mr. Carbiener in 2006 which vest annually over four years from the date of grant.

- (3) The shares of restricted stock granted by FIS on March 20, 2008 vest with respect to 1/8th of the total number of shares granted on the last day of each fiscal quarter beginning June 30, 2008, with the final vesting taking place on March 31, 2010. The shares of restricted stock granted on August 13, 2008 vest ratably over three years on the anniversary of the date of grant.
- (4) Market value of unvested restricted stock awards is based on a closing price of \$29.45 for a share of our common stock on the New York Stock Exchange on December 31, 2008.
- (5) These options were originally granted by old FNF under plans assumed by FIS in the FNF Merger.
- (6) These options were originally granted by former FIS under a plan assumed by FIS in the Certegy merger.

Outstanding FNRES Option Awards at Fiscal Year End

Name	Grant Date	Option Awards(1)			
		Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Option Exercise Price (\$)	Option Expiration Date
William P. Foley, II	5/14/2007		400,000	10.00	5/14/2017

- (1) As of December 31, 2008, we owned approximately 39% of FNRES's common stock and accounted for FNRES under the equity method. On February 6, 2009, we acquired the remaining 61% of FNRES's outstanding common stock from FNF, and all options outstanding under the FNRES plan, including Mr. Foley's options, were terminated at that time.

The following table sets forth information concerning each exercise of FIS and LPS stock options, SARs and similar instruments, and each vesting of FIS and LPS stock, including restricted stock, restricted stock units and similar instruments, during the fiscal year ended December 31, 2008 for each of the named executive officers on an aggregated basis:

Option Exercises and Stock Vested

Option Awards		Stock Awards	
Number of Shares		Number of Shares	
Acquired on Exercise	Value Realized on Exercise	Acquired on Vesting	Value Realized on Vesting

Name	(#)	(\$)	(#)	(\$)
William P. Foley, II			2,460	73,763
Jeffrey S. Carbiener	5,138			