

**UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA
JACKSONVILLE DIVISION**

CITY OF ST. CLAIR SHORES GENERAL
EMPLOYEES' RETIREMENT SYSTEM,
Individually and on Behalf of All Others Similarly
Situated,

Plaintiff,

vs.

LENDER PROCESSING SERVICES, INC., *et al.*

Defendants.

Case No. 3:10-cv-01073-TJC-JBT

Honorable Timothy J. Corrigan

**NOTICE OF PENDENCY OF
CLASS ACTION AND PROPOSED
SETTLEMENT AND MOTION
FOR ATTORNEYS'
FEES AND EXPENSES**

If you purchased or acquired the publicly traded common stock of Lender Processing Services, Inc. ("LPS") during the period from August 6, 2008 to and through October 4, 2010, inclusive, (the "Class Period"), and were damaged thereby, you may be entitled to a payment from a class action settlement.

A federal court authorized this Notice. This is not a solicitation from a lawyer.

The purpose of this Notice is to inform you of (a) the pendency of this class action (the "Action"), (b) the proposed settlement of the Action, and (c) the hearing to be held by the Court to consider (i) whether the settlement should be approved, (ii) the application of lead plaintiff's counsel for attorneys' fees and expenses, and (iii) certain other matters (the "Settlement Hearing"). This Notice describes important rights you may have and what steps you must take if you wish to participate in the settlement or wish to be excluded from the Settlement Class (defined below).

- If approved by the Court, the settlement will provide a \$14 million cash settlement fund for the benefit of eligible investors (the "Settlement").¹
- The Settlement resolves claims by Baltimore County Employees' Retirement System ("Lead Plaintiff") that the Defendants (defined below) misled investors about the financial condition of LPS, avoids the costs and risks of continuing the litigation, pays money to investors like you, and releases the Defendants from liability.
- Your legal rights are affected whether you act or do not act. Read this Notice carefully.
- The Court will review the Settlement at the Settlement Hearing to be held on October 25, 2013.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
SUBMIT A CLAIM FORM BY NOVEMBER 19, 2013	The only way to get a payment.
EXCLUDE YOURSELF BY OCTOBER 4, 2013	Get no payment. This is the only option that allows you to ever bring or be part of any <u>other</u> lawsuit about the Plaintiffs' Released Claims (defined below) against the Defendants and the other Released Defendant Parties (defined below).
OBJECT BY OCTOBER 4, 2013	Write to the Court about why you do not like the Settlement, the proposed Plan of Allocation and/or the request for attorneys' fees and expenses. You will still be a member of the Settlement Class (defined below).
GO TO A HEARING ON OCTOBER 25, 2013	Ask to speak in Court about the Settlement at the Settlement Hearing.
DO NOTHING	Get no payment. Give up rights.

¹ All capitalized terms used in this Notice are defined in the Stipulation and Agreement of Settlement (the "Stipulation"), dated as of January 28, 2013.

- These rights and options—and the deadlines to exercise them—are explained in this Notice.
- The Court in charge of this case still has to decide whether to approve the Settlement and whether to finally certify this as a class action. Payments will be made if the Court approves the Settlement and after any appeals are resolved. Please be patient.

SUMMARY OF THIS NOTICE

(a) Statement of Plaintiff's Recovery

Pursuant to this proposed Settlement, a Settlement Fund consisting of \$14 million in cash, plus any accrued interest, has been established. Based on Lead Plaintiff's estimate of the amount of shares of LPS common stock entitled to participate in the Settlement, and assuming that all such securities entitled to participate do so, Lead Plaintiff estimates the following average recoveries per allegedly damaged share of LPS common stock, before deduction of Court-approved expenses, such as attorneys' fees and expenses and administrative costs:² the average recovery per allegedly damaged share of LPS common stock would be approximately \$0.35. A Settlement Class Member's actual recovery will be a portion of the Net Settlement Fund, determined by comparing his, her, or its "Recognized Loss" to the total Recognized Losses of all Settlement Class Members who submit acceptable Proofs of Claim. An individual Settlement Class Member's actual recovery will depend on, for example: (1) the total number of claims submitted; (2) when the Settlement Class Member purchased or acquired LPS common stock during the Class Period; (3) the purchase price paid; and (4) whether the shares of LPS common stock were held at the end of the Class Period or sold (and, if sold, when they were sold and the amount received). See the Plan of Allocation beginning on page 10 for information on your Recognized Loss.

(b) Statement of Potential Outcome if the Action Continues to Be Litigated

The Settling Parties disagree on both liability and damages and do not agree on the average amount of damages, if any, that would be recoverable if Lead Plaintiff were to prevail on each claim alleged. The issues on which the Settling Parties disagree include but are not limited to: (1) whether the Defendants made any material misstatements or omissions; (2) whether the Defendants acted with the required state of mind; (3) whether this Action is maintainable as a class action; (4) the amount by which LPS common stock was allegedly artificially inflated (if at all) during the Class Period; (5) the extent to which the various matters that Lead Plaintiff alleged were false and misleading influenced (if at all) the trading price of LPS common stock at various times during the Class Period; (6) whether any purchasers/acquirers of LPS common stock have suffered damages as a result of the alleged misstatements and omissions in LPS public statements; (7) the extent of such damages, assuming they exist; (8) the appropriate economic model for measuring damages; and (9) the extent to which external factors, such as general market and industry conditions, influenced the trading price of LPS common stock at various times during the Class Period.

The Defendants have denied and continue to deny any wrongdoing, deny that they have committed any act or omission giving rise to any liability or violation of law, and deny that Lead Plaintiff and the Settlement Class have suffered any losses attributable to the Defendants' actions. While Lead Plaintiff believes that it has meritorious claims, it recognizes that there are significant obstacles in the way to recovery.

(c) Statement of Attorneys' Fees and Litigation Expenses Sought

Labaton Sucharow LLP and Robbins Geller Rudman & Dowd LLP ("Lead Plaintiff's Counsel") intend to make a motion asking the Court to award attorneys' fees not to exceed 30% of the Settlement Fund, which includes interest, and approve payment of litigation expenses incurred to date in prosecuting this Action in an amount not to exceed \$200,000 plus any interest on such amount at the same rate and for the same periods as earned by the Settlement Fund ("Fee and Expense Application"). Lead Plaintiff's Counsel's Fee and Expense Application may include a request for an award to Lead Plaintiff for reimbursement of its reasonable costs and expenses directly related to its representation of the Settlement Class in an amount not to exceed \$20,000.

If the Court approves the Fee and Expense Application, the average cost per allegedly damaged share of LPS common stock for such fees and expenses would be approximately \$0.11. The average cost per damaged share will vary depending on the number of acceptable claims submitted. Lead Plaintiff's Counsel have expended considerable time and effort in the prosecution of this litigation without receiving any payment, and have advanced the expenses of the litigation, such as the cost of experts, in the expectation that if they were successful in obtaining a recovery for the Settlement Class they would be paid from such recovery. In this type of litigation it is customary for counsel to be awarded a percentage of the common fund recovered as attorneys' fees.

(d) Further Information

Further information regarding this Action and this Notice may be obtained by contacting the Claims Administrator: *LPS Securities*

² An allegedly damaged share might have been traded more than once during the Class Period, and the indicated average recovery would be the estimated average for each purchase of a share which allegedly incurred damages.

Do Not Call The Court With Questions About The Settlement

(e) Reasons for the Settlement

For Lead Plaintiff, the principal reason for the Settlement is the immediate benefit to the Settlement Class. This benefit must be compared to the risk that no recovery might be achieved after a contested trial and likely appeals, possibly years into the future.

For the Defendants, who have denied and continue to deny all allegations of wrongdoing or liability whatsoever, the principal reason for the Settlement is to eliminate the burden, expense, uncertainty, and distraction of further litigation.

[END OF COVER PAGE]

A. BASIC INFORMATION

1. Why did I get this notice package?

You or someone in your family may have purchased or acquired LPS common stock during the period from August 6, 2008 to and through October 4, 2010, inclusive.

The Court in charge of the case is the United States District Court for the Middle District of Florida. The Action is known as *City of St. Clair Shores General Employees' Retirement System v. Lender Processing Services, Inc.*, No. 3:10-cv-01073 (M.D. Fla.), and is assigned to the Honorable Timothy J. Corrigan. The people who sued are called plaintiffs, and the companies and persons they sued are called defendants.

The Lead Plaintiff in the Action, representing the Settlement Class, is Baltimore County Employees' Retirement System. The Defendants are LPS, as well as Jeffrey S. Carbiener and Francis K. Chan ("Individual Defendants").

The Court directed that this Notice be sent to Settlement Class Members because they have a right to know about a proposed settlement of a class action lawsuit, and about all of their options, before the Court decides whether to approve the Settlement. The Court will review the Settlement at a Settlement Hearing on October 25, 2013, at the United States District Court for the Middle District of Florida at the Bryan Simpson United States Courthouse, 300 North Hogan Street, Jacksonville, Florida, 32202, at 10:00 a.m. If the Court approves the Settlement, and after objections and appeals are resolved, a claims administrator appointed by the Court will make the payments that the Settlement allows.

This package explains the Action, the Settlement, Settlement Class Members' legal rights, what benefits are available, who is eligible for them, and how to get them.

2. What is this lawsuit about and what has happened so far?

Following a detailed investigation that included, among other things, interviews of former LPS employees, review of LPS's public statements, and consultation with experts, the Action was commenced on November 23, 2010 by the filing of the initial complaint alleging that the Defendants violated the federal securities laws. On March 10, 2011, the Court issued an Order appointing Lead Plaintiff, and approving its selection of Labaton Sucharow LLP as lead counsel, and Robbins Geller Rudman & Dowd LLP as liaison counsel to represent the putative class. Lead Plaintiff filed the operative Third Amended Complaint on October 5, 2012 (the "Complaint"). The Complaint generally alleges, among other things, that the Defendants violated Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 and Rule 10b-5 promulgated thereunder by making alleged misstatements and omissions during the Class Period in connection with LPS's business and financial well-being. The Complaint further alleges that Lead Plaintiff and other Settlement Class Members purchased or acquired LPS common stock during the Class Period at artificially inflated prices and were damaged thereby.

On November 16, 2012, Defendants filed a motion to dismiss the Complaint, which Lead Plaintiff opposed. In January 2013, while Defendants' motions to dismiss were pending, Lead Plaintiff and Defendants engaged in a mediation with the assistance of a well-respected and highly experienced mediator, Jed D. Melnick, Esq. Following lengthy arm's-length and mediated negotiations overseen by Mr. Melnick, Defendants and Lead Plaintiff reached an agreement in principle to settle the claims against Defendants (the "Settlement").

Before agreeing to the Settlement, Lead Plaintiff's Counsel had conducted an extensive investigation into the events and transactions underlying the claims alleged in the Complaint. Lead Plaintiff's Counsel analyzed the evidence obtained during its investigation, which included reviewing and analyzing publicly available information and data concerning LPS, interviewing former LPS employees and other persons with relevant knowledge, and consulting with experts on accounting, valuation, damages, and causation issues. Lead Plaintiff's Counsel also researched the applicable law with respect to the claims of Lead Plaintiff against the Defendants and their potential defenses. Thus, at the time the settlement in principle was reached, Lead Plaintiff's Counsel had a thorough understanding of the strengths and weaknesses of the Settling Parties' positions. Additionally, prior to presenting the Settlement to the Court for approval, the Parties engaged in confirmatory discovery which included the review of approximately 35,000 pages of core documents and interviews with two LPS personnel.

On July 8, 2013, the Court entered the Order Granting Preliminary Approval of Class Action Settlement, Approving Form and Manner of Notice, and Setting Date for Hearing on Final Approval of Settlement, which preliminarily approved the Settlement, authorized that this Notice be sent to potential Settlement Class Members, and scheduled the Settlement Hearing to consider whether to grant final approval to the Settlement.

3. Why is this a class action?

In a class action, one or more people called class representatives (in this case Lead Plaintiff) sue on behalf of people who have similar claims. They are known as class members. Here, the Court preliminarily certified the Settlement Class for purposes of the Settlement only. Bringing a case as a class action allows adjudication of many similar claims of persons and entities that might be economically too small to bring individually. One court resolves the issues for all class members, except for those who exclude themselves from the class. The Court will decide whether to finally certify the Settlement Class at the Settlement Hearing.

4. What are the reasons for the Settlement?

The Court did not finally decide in favor of Lead Plaintiff or the Defendants. Instead, both sides, with the assistance of a well-respected and highly experienced mediator, Jed D. Melnick, agreed to a settlement.

Lead Plaintiff and Lead Plaintiff's Counsel believe that the claims asserted against the Defendants have merit. Lead Plaintiff and Lead Plaintiff's Counsel recognize, however, the expense and length of continued proceedings necessary to pursue their claims against the Defendants through trial and appeals, as well as the difficulties in establishing liability. Lead Plaintiff and Lead Plaintiff's Counsel have considered the uncertain outcome and the risk of any litigation, especially in complex lawsuits like this one, and the difficulties and delays inherent in such litigation. For example, the Defendants have raised a number of arguments and defenses (which have been raised in the Defendants' motion to dismiss the Complaint and/or would be raised at summary judgment and trial, if any) that there were no actionable misstatements and omissions and, more importantly, that Lead Plaintiff would not be able to establish the Defendants acted with the requisite fraudulent intent. Even assuming Lead Plaintiff could establish liability, the Defendants maintained that any potential investment losses suffered by Lead Plaintiff and the Settlement Class were caused by external, independent factors, and not caused by the Defendants' alleged conduct. In the absence of a Settlement, the Settling Parties would present factual and expert testimony on each of these issues, and there is considerable risk that the Court or jury would resolve the inevitable "battle of the experts" against Lead Plaintiff and the Settlement Class.

In light of the amount of the Settlement and the immediate recovery to the Settlement Class, Lead Plaintiff and Lead Plaintiff's Counsel believe that the proposed Settlement is fair, reasonable and adequate, and in the best interests of the Settlement Class. The Settlement, which totals \$14 million in cash (less the various deductions described in this Notice), provides substantial benefits now as compared to the risk that a similar or smaller recovery would be achieved after trial and appeal, possibly years in the future, or that no recovery would be achieved at all.

The Defendants have denied and continue to deny each and every one of the claims alleged by Lead Plaintiff in the Action. The Defendants expressly have denied and continue to deny any wrongdoing or that they have committed any act or omission giving rise to any liability or violation of law arising out of any of the conduct, statements, acts or omissions alleged, or that could have been alleged, in the Action. The Defendants also have taken into account the burden, expense, uncertainty, distraction, and risks inherent in any litigation, and have concluded that it is desirable that the Action be fully and finally settled upon the terms and conditions set forth in the Stipulation.

B. WHO IS IN THE SETTLEMENT

To see if you will get money from this Settlement, you first have to decide if you are a Settlement Class Member.

5. How do I know if I am part of the Settlement?

The Court directed, for the purpose of the proposed Settlement, that everyone who fits the following description is a Settlement Class Member, unless they are an excluded person or they take steps to exclude themselves (see below): **All Persons who, during the period from August 6, 2008 to and through October 4, 2010, inclusive, (the “Class Period”), purchased or otherwise acquired the publicly traded common stock of LPS and who were allegedly damaged thereby.**

6. Are there exceptions to being included in the Settlement Class?

Excluded from the Settlement Class are: Defendants; the officers and directors of LPS; the Immediate Family Members of the Individual Defendants; any firm, trust, partnership, corporation, or entity in which any Defendant has a controlling interest; the legal representatives, heirs, successors-in-interest or assigns of any such excluded Person; and any Person who would otherwise be a Settlement Class Member but properly excludes himself, herself or itself by filing a valid and timely request for exclusion in accordance with the requirements explained in Question 13, below.

If one of your mutual funds purchased or acquired the publicly traded common stock of LPS during the Class Period, that alone does not make you a Settlement Class Member. You are eligible to be a Settlement Class Member if you individually purchased or acquired LPS publicly traded common stock during the Class Period. Check your investment records or contact your broker to see if you have eligible purchases/acquisitions.

If you only sold LPS publicly traded common stock during the Class Period, your sale alone does not make you a Settlement Class Member. You are eligible to be a Settlement Class Member only if you **purchased or acquired** LPS publicly traded common stock during the Class Period.

7. What if I am still not sure if I am included?

If you are still not sure whether you are included, you can ask for free help. You can call (877) 810-7249 or visit www.LenderProcessingServicesSecuritiesSettlement.com for more information. Or you can fill out and return the Proof of Claim and Release form (“Proof of Claim”), described in Question 10, to see if you qualify.

C. THE SETTLEMENT BENEFITS—WHAT YOU GET

8. What does the Settlement provide?

In exchange for the Settlement and the release of the Plaintiffs’ Released Claims (defined below) against the Released Defendant Parties (defined below), the Defendants have agreed to create a \$14 million cash fund, which will earn interest, to be divided, after deduction of Court-awarded attorneys’ fees and expenses, settlement administration costs, and any applicable taxes (the “Net Settlement Fund”), among all Settlement Class Members who send in valid and timely Proofs of Claim.

9. How much will my payment be?

Your share of the fund will depend on several things, including: (a) the total amount of Recognized Losses of other Settlement Class Members; (b) how many shares of LPS common stock you purchased or acquired; (c) how much you paid for them; (d) when you bought them; and (e) whether or when you sold your LPS common stock, and, if so, for how much.

Your Recognized Loss will be calculated according to the formula shown below in the Plan of Allocation. It is unlikely that you will get a payment for your entire Recognized Loss, given the number of potential Settlement Class Members. After all Settlement Class Members have sent in their Proofs of Claim, the payment you get will be a portion of the Net Settlement Fund based on your Recognized Loss divided by the total of everyone’s Recognized Losses. See the Plan of Allocation in Question 25 for more information on your Recognized Loss.

D. HOW YOU GET A PAYMENT—SUBMITTING A PROOF OF CLAIM

10. How can I get a payment?

To qualify for a payment, you must send in a completed Proof of Claim. A Proof of Claim is being circulated with this Notice.

You may also get a Proof of Claim on the Internet at the websites for the Claims Administrator or Lead Plaintiff's Counsel: www.LenderProcessingServicesSecuritiesSettlement.com, www.labaton.com, or www.rgrdlaw.com. The Claims Administrator can also help you if you have questions about the form. Please read the instructions carefully, fill out the Proof of Claim, include all the documents the form asks for, sign it, and mail it **postmarked no later than November 19, 2013**.

11. When would I get my payment?

The Court will hold a Settlement Hearing on **October 25, 2013**, to decide whether to approve the Settlement. Even if the Court approves the Settlement, there may still be appeals, which can take time to resolve, perhaps more than a year. It also takes time for all the Proofs of Claim to be processed. All Proofs of Claim need to be submitted by **November 19, 2013**.

Once all the Proofs of Claim are processed and claims are calculated, the Claims Administrator, under the supervision of Lead Plaintiff's Counsel, shall distribute the Net Settlement Fund to the members of the Settlement Class. Please be patient.

12. What am I giving up to get a payment and by staying in the Settlement Class?

Unless you exclude yourself, you will stay in the Settlement Class, which means that upon the "Effective Date" you will release all "Plaintiffs' Released Claims" (as defined below), including "Unknown Claims" (as defined below), against the "Released Defendant Parties" (as defined below).

"Claim" or "Claims" means any and all actions, causes of action, proceedings, offsets, contracts, judgments, obligations, suits, debts, dues, sums of money, accounts, bonds, bills, covenants, damages, demands (whether written or oral), agreements, promises, liabilities, controversies, costs, expenses, and losses whatsoever, whether in law, in admiralty, or in equity and whether based on any federal, state, or foreign statutory or common-law right of action or otherwise, whether class or individual in nature, foreseen or unforeseen, matured or unmatured, known, or unknown, existing now or to be created in the future, including Unknown Claims.

"Plaintiffs' Released Claims" means any and all Claims that were asserted or could have been asserted in the Action and that relate both to: (i) the purchase of the publicly-traded common stock of LPS during the Class Period, and (ii) any of the claims, allegations, transactions, facts, events, acts, disclosures, statements, representations or omissions or failures to act set forth or referred to in the complaints filed in the Action. Plaintiffs' Released Claims do not include claims to enforce the Settlement.

"Unknown Claims" means any and all Plaintiffs' Released Claims that Lead Plaintiff or any other Settlement Class Member does not know or suspect to exist in his, her, or its favor at the time of the release of the Released Defendant Parties, and any Defendants' Released Claims that Defendants do not know or suspect to exist in his, her, or its favor at the time of the release of the Released Plaintiff Parties, which if known by him, her, or it might have affected his, her, or its decision(s) with respect to the Settlement, including the decision to exclude himself, herself, or itself from the Settlement Class. With respect to any and all Plaintiffs' Released Claims and Defendants' Released Claims, the Settling Parties stipulate and agree that, upon the Effective Date, Lead Plaintiff and Defendants shall expressly, and each other Settlement Class Member shall be deemed to have, and by operation of the Judgment or Alternative Judgment shall have, to the fullest extent permitted by law, expressly waived and relinquished any and all provisions, rights and benefits conferred by any law of any state or territory of the United States, or principle of common law, which is similar, comparable, or equivalent to Cal. Civ. Code § 1542, which provides:

A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.

Lead Plaintiff, the other Settlement Class Members, or Defendants may hereafter discover facts, legal theories, or authorities in addition to or different from those which he, she, or it now knows or believes to be true with respect to the subject matter of the Plaintiffs' Released Claims and the Defendants' Released Claims, but Lead Plaintiff and Defendants shall expressly, fully, finally, and forever settle and release, and each Settlement Class Member shall be deemed to have settled and released, and upon the Effective Date and by operation of the Judgment or Alternative Judgment shall have settled and released, fully, finally, and forever, any and all Plaintiffs' Released Claims and Defendants' Released Claims as applicable, without regard to the subsequent discovery or existence of such different or additional facts, legal theories, or authorities. Lead Plaintiff and Defendants acknowledge, and other Settlement Class Members by operation of law shall be deemed to have acknowledged, that the inclusion of "Unknown Claims" in the definition of Plaintiffs' Released Claims and Defendants' Released Claims was separately bargained for and was a material element of the Settlement.

"Released Defendant Parties" means LPS, its past or present or future subsidiaries, parents, affiliates, principals, successors and predecessors, assigns, officers, directors, shareholders, trustees, partners, agents, fiduciaries, contractors, employees, attorneys (including its General Counsel and other inside or outside attorneys employed by LPS), auditors, insurers; the Individual Defendants; the Immediate Family Members, representatives, and heirs of the Individual Defendants, as well as any trust of which any Individual

Defendant is the settlor or which is for the benefit of any of their immediate family members; and any firm, trust, corporation, or entity in which any Defendant has a controlling interest; and any of the legal representatives, heirs, successors in interest or assigns of the Defendants.

The “Effective Date” will occur when an Order by the Court approving the Settlement becomes Final and is not subject to appeal as set out more fully in the Stipulation on file with the Court and available at www.LenderProcessingServicesSecuritiesSettlement.com.

If you remain a member of the Settlement Class, all the Court’s orders regarding the Settlement will apply to you and legally bind you.

E. EXCLUDING YOURSELF FROM THE SETTLEMENT

If you do not want a payment from this Settlement, but you want to keep any right you may have to sue or continue to sue the Defendants and the other Released Defendant Parties, on your own, about the Plaintiffs’ Released Claims, then you must take steps to get out. This is called excluding yourself from—or “opting out” of—the Settlement Class. LPS may withdraw from and terminate the Settlement if putative Settlement Class Members who have in excess of a certain amount of Recognized Losses exclude themselves from the Settlement Class.

13. How do I get out of the proposed Settlement?

To exclude yourself from the Settlement Class, you must send a signed letter by mail stating that you request to be “excluded from the Settlement Class in *City of St. Clair Shores General Employees’ Retirement System v. Lender Processing Services, Inc.*, No. 3:10-cv-01073 (M.D. Fla.)” Your letter must state the date(s), price(s), and number(s) of shares of all your purchases, acquisitions, and sales of LPS common stock during the Class Period and the amount of your holdings of these securities at the close of business on August 5, 2008 and the close of business on October 5, 2010. In addition, you must include your name, address, telephone number, and your signature. You must mail your exclusion request so that it is **received no later than October 4, 2013**, to:

LPS Securities Litigation
Claims Administrator
PO Box 3219
Portland, OR 97208-3219

You cannot exclude yourself by telephone or by email. Your exclusion request must comply with these requirements in order to be valid. If you write to request to be excluded, you will not get any settlement payment, and you cannot object to the Settlement. You will not be legally bound by anything that happens in connection with this Settlement, and you may be able to sue (or continue to sue) the Defendants and the other Released Defendant Parties regarding the Plaintiffs’ Released Claims in the future.

14. If I do not exclude myself, can I sue the Defendants and the other Released Defendant Parties for the same thing later?

No. Unless you exclude yourself, you give up any rights to sue the Defendants and the other Released Defendant Parties for any and all Plaintiffs’ Released Claims. If you have a pending lawsuit speak to your lawyer in that case **immediately**. **You must exclude yourself from *this* Settlement Class to continue your own lawsuit.** Remember, the exclusion deadline is **October 4, 2013**.

15. If I exclude myself, can I get money from the proposed Settlement?

No. If you exclude yourself, do not send in a Proof of Claim to ask for any money. But, you may exercise any right you may have to sue, continue to sue, or be part of a different lawsuit against the Defendants and the other Released Defendant Parties regarding the Plaintiffs’ Released Claims.

F. THE LAWYERS REPRESENTING YOU

16. Do I have a lawyer in this case?

The Court appointed the law firms of Labaton Sucharow LLP and Robbins Geller Rudman & Dowd LLP to represent all Settlement Class Members. These lawyers are called Lead Plaintiff’s Counsel. You will not be separately charged for these lawyers. The Court will determine the amount of Lead Plaintiff’s Counsel’s fees and expenses, which will be paid from the Settlement Fund. If you want to be represented by your own lawyer, you may hire one at your own expense.

17. How will the lawyers be paid?

Lead Plaintiff's Counsel have not received any payment for their services in pursuing the claims against the Defendants on behalf of the Settlement Class, nor have they been paid for their litigation expenses. At the Settlement Hearing, or at such other time as the Court may order, Lead Plaintiff's Counsel will ask the Court to award them, from the Settlement Fund, attorneys' fees of no more than 30% of the Settlement Fund, which will include any interest on such amount at the same rate and for the same periods as earned by the Settlement Fund, and litigation expenses (such as the cost of experts) that have been incurred in pursuing the Action. The request for litigation expenses will not exceed \$200,000 plus interest on the expenses at the same rate as may be earned by the Settlement Fund.

G. OBJECTING TO THE SETTLEMENT

You can tell the Court that you do not agree with the Settlement or some part of it.

18. How do I tell the Court that I do not like the proposed Settlement?

If you are a Settlement Class Member you can object to the Settlement or any of its terms, the certification of the Settlement Class, the proposed Plan of Allocation, and/or the application by Lead Plaintiff's Counsel for an award of fees and expenses. You may write to the Court setting out your objection. You may give reasons why you think the Court should not approve any part or all of the Settlement terms or arrangements. The Court will only consider your views if you file a proper written objection within the deadline and according to the following procedures. To object, you must send a signed letter stating that you object to the proposed settlement in "*City of St. Clair Shores General Employees' Retirement System v. Lender Processing Services, Inc.*, No. 3:10-cv-01073 (M.D. Fla.)." You must include the following: your name, address, telephone number, and your signature; the date(s), price(s) and number(s) of shares of all purchases, acquisitions and sales of LPS common stock you made during the Class Period; proof of such purchases, acquisitions and sales of LPS common stock you made during the Class Period; and the reasons why you object to the Settlement. **Unless otherwise ordered by the Court, any Settlement Class Member who does not object in the manner described herein will be deemed to have waived any objection and shall be forever foreclosed from making any objection to the proposed Settlement and the application for attorneys' fees and expenses.**

Your objection must be filed with the Court and mailed or delivered to all the following so that it is **received on or before October 4, 2013**:

COURT:

Clerk of the Court
United States District Court for the
Middle District of Florida
Bryan Simpson United States Courthouse
300 North Hogan Street
Jacksonville, FL 32202

DEFENDANTS COUNSEL:

Lyle Roberts, Esq.
COOLEY LLP
1299 Pennsylvania Avenue, NW, Suite 700
Washington, DC 20004

LEAD PLAINTIFF'S COUNSEL:

Jonathan Gardner, Esq.
LABATON SUCHAROW LLP
140 Broadway
New York, NY 10005

Jack Reise, Esq.
ROBBINS GELLER RUDMAN & DOWD LLP
120 E. Palmetto Park Road, Suite 500
Boca Raton, FL 33432

19. What is the difference between objecting and seeking exclusion?

Objecting is simply telling the Court that you do not like something about the proposed Settlement. You can object only if you stay in the Settlement Class. Excluding yourself is telling the Court that you do not want to be part of the Settlement Class. If you exclude yourself, you have no basis to object because the Settlement no longer affects you.

H. THE COURT'S SETTLEMENT HEARING

The Court will hold a hearing to decide whether to approve the proposed Settlement. You may attend, and you may ask to speak, but you do not have to do so.

20. When and where will the Court decide whether to approve the proposed Settlement?

The Court will hold a Settlement Hearing at **10:00 a.m. on October 25, 2013**, at the Bryan Simpson United States Courthouse, 300 North Hogan Street, Jacksonville, Florida, 32202.

At this hearing, the Honorable Timothy J. Corrigan will consider whether the Settlement is fair, reasonable, and adequate. The Court also will consider the proposed Plan of Allocation for the Net Settlement Fund and the application of Lead Plaintiff's Counsel for attorneys' fees and payment of expenses. The Court will take into consideration any written objections filed in accordance with the instructions set out in Question 18 above. The Court also may listen to people who have properly indicated, within the deadline identified above, an intention to speak at the Settlement Hearing, but decisions regarding the conduct of the Settlement Hearing will be made by the Court. See Question 22 for more information about speaking at the Settlement Hearing. After the Settlement Hearing, the Court will decide whether to approve the Settlement, and, if the Settlement is approved, how much attorneys' fees and expenses should be awarded. We do not know how long these decisions will take.

You should be aware that the Court may change the date and time of the Settlement Hearing without another notice being sent. If you want to come to the hearing, you should check with Lead Plaintiff's Counsel before coming to be sure that the date and/or time has not changed.

21. Do I have to come to the Settlement Hearing?

No. Lead Plaintiff's Counsel will answer questions the Court may have. But, you are welcome to come at your own expense. Settlement Class Members do not need to appear at the Settlement Hearing or take any other action to indicate their approval. If you submit an objection, you do not have to come to Court to talk about it. As long as you filed and sent your written objection on time, the Court will consider it. You may also pay your own lawyer to attend, but it is not necessary.

22. May I speak at the Settlement Hearing?

If you object to the Settlement, you may ask the Court for permission to speak at the Settlement Hearing. To do so, you must include with your objection (see Question 18 above) a statement that it is your "Notice of Intention to Appear in *City of St. Clair Shores General Employees' Retirement System v. Lender Processing Services, Inc.*, No. 3:10-cv-01073 (M.D. Fla)." Persons who intend to object to the Settlement, the Plan of Allocation, and/or Lead Plaintiff's Counsel's Fee and Expense Application, and desire to present evidence at the Settlement Hearing, must also include in their written objections the identity of any witness they may call to testify and exhibits they intend to introduce into evidence at the Settlement Hearing. You cannot speak at the Settlement Hearing if you excluded yourself from the Settlement Class or if you have not provided written notice of your objection and intention to speak at the Settlement Hearing in accordance with the procedures described in Questions 18 and 22.

I. IF YOU DO NOTHING

23. What happens if I do nothing at all?

If you do nothing and you are a member of the Settlement Class, you will get no money from this Settlement and you will be precluded from starting a lawsuit, continuing with a lawsuit, or being part of any other lawsuit against the Defendants and the other Released Defendant Parties about the Plaintiffs' Released Claims, ever again. To share in the Net Settlement Fund you must submit a Proof of Claim (see Question 10). To start, continue or be a part of any **other** lawsuit against the Defendants and the other Released Defendant Parties about the Plaintiffs' Released Claims in this case you **must** exclude yourself from this Class (see Question 13).

J. GETTING MORE INFORMATION

24. Are there more details about the proposed Settlement?

This Notice summarizes the proposed Settlement. More details are in the Stipulation, dated as of January 28, 2013. You may review the Stipulation filed with the Court or documents filed in the case during business hours at the Office of the Clerk of the United States District Court for the Middle District of Florida, Bryan Simpson United States Courthouse, 300 North Hogan Street, Jacksonville, Florida, 32202.

You also can call the Claims Administrator toll free at **(877) 810-7249**; write to, **LPS Securities Litigation, c/o Epiq Systems, Inc., Claims Administrator, PO Box 3219, Portland, OR 97208-3219**; or visit the websites of the Claims Administrator or Lead Plaintiff's Counsel at www.LenderProcessingServicesSecuritiesSettlement.com, www.labaton.com, and www.rgrdlaw.com, where you can find

answers to common questions about the Settlement, download copies of the Stipulation or Proof of Claim, and locate other information to help you determine whether you are a Settlement Class Member and whether you are eligible for a payment.

Please Do Not Call The Court With Questions About The Settlement

**K. PLAN OF ALLOCATION OF NET SETTLEMENT FUND
AMONG SETTLEMENT CLASS MEMBERS**

25. How will my claim be calculated?

The purpose of the Plan of Allocation (the “Plan”) is to distribute Settlement proceeds equitably to those Settlement Class Members who suffered economic losses resulting from the alleged misrepresentations and omissions by the Defendants during the Class Period.

The \$14 million Settlement Amount and any interest it earns is called the Settlement Fund. The Settlement Fund, minus all taxes, costs, fees and expenses (the Net Settlement Fund), will be distributed according to the Plan of Allocation described below to members of the Settlement Class who timely submit valid Proofs of Claim that show a Recognized Loss (“Authorized Claimants”), and who have an out-of-pocket net loss on all Class Period transactions in LPS common stock. Settlement Class Members who do not timely submit valid Proofs of Claim will not share in the Settlement proceeds, but will otherwise be bound by the terms of the Settlement. The Court may approve the Plan, or modify it without additional notice to the Settlement Class. Any order modifying the Plan will be posted on the settlement website at: www.LenderProcessingServicesSecuritiesSettlement.com and at www.labaton.com and www.rgrdlaw.com.³

The Claims Administrator will determine each Authorized Claimant’s *pro rata* share of the Net Settlement Fund based upon each Authorized Claimant’s “Recognized Loss,” as described below. The Plan of Allocation is not intended to estimate the amount a Settlement Class Member might have been able to recover after a trial, nor is it intended to estimate the amount that will be paid to Authorized Claimants. The Plan of Allocation is the basis upon which the Net Settlement Fund will be proportionately divided among all the Authorized Claimants. The Court will be asked to approve the Claims Administrator’s determinations before the Net Settlement Fund is distributed to Authorized Claimants.

The Defendants, their respective counsel, and all other Released Defendant Parties will have no responsibility for or liability whatsoever for the investment of the Settlement Fund, the distribution of the Net Settlement Fund, the Plan of Allocation, or the payment of any claim. Lead Plaintiff and Lead Plaintiff’s Counsel likewise will have no liability for their reasonable efforts to execute, administer, and distribute the Settlement proceeds.

The following Plan of Allocation reflects the allegations that the prices of LPS publicly traded common stock during the Class Period were inflated artificially by reason of allegedly false and misleading statements made by the Defendants about the business, management, and operations of LPS. The Defendants deny any allegations of wrongdoing or liability. The Plan of Allocation described below was created with the assistance of a consulting damages expert who analyzed the movement of LPS’s common stock after the alleged false and misleading statements made by the Defendants. It takes into account the portion of the stock drops attributable to the alleged fraud.

GENERAL PRINCIPLES OF THE PLAN OF ALLOCATION

I. DEFINITIONS

The term “Recognized Loss,” as used herein, is not market loss or net market loss. Rather, it is a calculation to arrive at a loss (or gain) figure for purposes of calculating an Authorized Claimant’s *pro rata* participation in the Net Settlement Fund as described below.

The term “Net Settlement Fund” has the same meaning as in the Stipulation.

II. BASIS FOR RECOGNIZED LOSS FOR CLAIMS

A “Recognized Loss” will be calculated for each acquisition/purchase of LPS common stock made during the Class Period as listed in the Proof of Claim and for which adequate documentation is provided.

The Recognized Losses for a claimant’s transactions will be calculated by the Claims Administrator in consultation with Lead Plaintiff’s Counsel in accordance with the provisions of this Plan of Allocation.

³The Defendants had no involvement in the proposed Plan of Allocation.

A. Computation of Loss Per Share for Common Stock Purchases/Acquisitions

Computation of the Loss Per Share reflects price changes of LPS common stock in reaction to certain public announcements regarding LPS or other company information related to the alleged fraud, based on the allegations in the Third Amended Complaint filed on October 5, 2012 and the evidence developed in support thereof.

B. Use of “FIFO” Methodology for Computation of Recognized Losses for Class Members Who Made Multiple Transactions in LPS Common Stock

For claimants who made multiple purchases, acquisitions or sales of LPS common stock, purchases will be matched to sales using the “first-in/first out” (FIFO) inventory method, which matches sales to purchases during the Class Period or the PSLRA 90-Day Lookback Period. Specifically, the earliest sale will be matched first against the claimant’s opening position on the first day of the Class Period, if any, and then matched chronologically thereafter against each purchase or acquisition during the Class Period. Sales matched to shares of LPS common stock from a claimant’s opening position or matched to shares purchased during the PSLRA 90-Day Lookback Period are excluded from the calculation of Recognized Loss and market loss (or gain).

Short sales and purchases to cover short sales (whether they occurred before, during, or after the Class Period) are not included when calculating Recognized Loss or market loss (or gain).

If a claimant had a market gain from his, her, or its overall transactions in LPS common stock during the Class Period, the value of his, her, or its Net Recognized Loss will be \$0.00. To the extent a claimant suffered an overall market loss on his, her, or its overall transactions in LPS common stock during the Class Period, but that market loss was less than the Net Recognized Loss as calculated by this Plan of Allocation, then the claimant’s Net Recognized Loss shall be limited to the amount of the actual market loss.

C. Acquisition by Gift, Inheritance, or Operation of Law

If a claimant acquired LPS common stock by way of gift, inheritance, or operation of law, such a claim will be computed by using the date and price of the original purchase and not the date and price of transfer.

D. Payments Less Than \$10

A payment to any claimant that would amount to less than \$10.00 in total will not be included in the calculation of the Net Settlement Fund, and no payment to these claimants will be distributed.

III. CALCULATION OF RECOGNIZED LOSS PER SHARE

For each share of LPS common stock purchased during the Class Period, Recognized Loss Per Share will be computed as follows:

- i. If sold on or before April 16, 2009, the Recognized Loss Per Share is \$0.00.
- ii. If sold on or after April 17, 2009, but on or before December 31, 2010, the Recognized Loss Per Share is the lower of (but not less than zero): (a) artificial inflation at purchase minus artificial inflation at sale as shown in Table 1; or (b) purchase price minus sale price.
- iii. If still held as of the close of trading on December 31, 2010, the Recognized Loss Per Share is the lower of (but not less than zero): (a) artificial inflation at purchase; or (b) purchase price minus \$29.39 (the average closing price during the PSLRA 90-Day Lookback Period).

Table 1

Transaction Period			Artificial Inflation
August 6, 2008	to	April 16, 2009	\$10.43
April 17, 2009	to	April 2, 2010	\$6.21
April 5, 2010	to	October 1, 2010	\$4.44
October 4, 2010	to	October 4, 2010	\$1.86
October 5, 2010	to	December 31, 2010	\$0.00

IV. COMPUTATION OF NET RECOGNIZED LOSS

The Recognized Loss with respect to a purchase or acquisition of LPS common stock is calculated by multiplying the number of shares of each such security times the appropriate Recognized Loss Per Share, as described in Section III.

The Net Recognized Loss for each claimant is calculated by adding the Recognized Losses.

V. DISTRIBUTION OF THE NET SETTLEMENT FUND

The Net Recognized Loss will be used for calculating the relative amount of participation by Authorized Claimants in the Net Settlement Fund and does not reflect the actual amount an Authorized Claimant can expect to recover from the Net Settlement Fund. The Net Recognized Losses of all Authorized Claimants may be greater than the Net Settlement Fund. In such event, each Authorized Claimant shall receive his, her, or its pro rata share of the Net Settlement Fund, which shall be his, her, or its Net Recognized Loss divided by the total of Net Recognized Losses for all Authorized Claimants, multiplied by the total amount in the Net Settlement Fund.

If there is any balance remaining in the Net Settlement Fund after at least six (6) months from the date of distribution of the Net Settlement Fund (whether by reason of tax refunds, uncashed checks or otherwise), Lead Plaintiff's Counsel shall, if feasible and economical, reallocate such balance among Authorized Claimants who have cashed their checks in an equitable and economic fashion. Such redistributions shall continue until the amount remaining is *de minimis*. Any balance that still remains in the Net Settlement Fund, after payment of Notice and Administration Expenses, Taxes, and attorneys' fees and expenses, if any, shall be contributed to non-sectarian, not-for-profit charitable organizations serving the public interest, designated by the Court with input from the Settling Parties.

L. SPECIAL NOTICE TO SECURITIES BROKERS AND OTHER NOMINEES

If you purchased LPS common stock (CUSIP: 52602E102) during the period from August 6, 2008 to and through October 4, 2010, inclusive, for the beneficial interest of a person or organization other than yourself, the Court has directed that, WITHIN SEVEN (7) CALENDAR DAYS OF YOUR RECEIPT OF THIS NOTICE, you either: (a) provide to the Claims Administrator the name and last known address of each person or organization for whom or which you purchased shares of LPS common stock during such time period or; (b) request additional copies of this Notice and the Proof of Claim form, which will be provided to you free of charge, and within seven (7) calendar days of receipt of such copies mail the Notice and Proof of Claim form directly to the beneficial owners of those LPS shares.

If you choose to follow alternative procedure (b), the Court has directed that, upon such mailing, you shall send a statement to the Claims Administrator confirming that the mailing was made as directed. You are entitled to reimbursement from the Settlement Fund of your reasonable expenses actually incurred in connection with the foregoing, including reimbursement of postage and the cost of ascertaining the names and addresses of beneficial owners. Those expenses will be paid upon request and submission of appropriate supporting documentation. All communications concerning the foregoing should be addressed to the Claims Administrator:

LPS Securities Litigation
Claims Administrator
PO Box 3219
Portland, OR 97208-3219
Phone: (877) 810-7249
info@LenderProcessingServicesSecuritiesSettlement.com
www.LenderProcessingServicesSecuritiesSettlement.com

Dated: July 22, 2013

BY ORDER OF THE COURT
UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA