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

FORM 8-K

Current Report

Pursuant to Section 13 or 15 (d) of the
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): December 27, 2012

OCWEN FINANCIAL CORPORATION

(Exact name of registrant as specified in its charter)

Florida	**1-13219**	**65-0039856**
(State or other jurisdiction of incorporation)	**(Commission File Number)**	**(IRS Employer Identification No.)**

2002 Summit Boulevard, Sixth Floor
Atlanta, Georgia 30319
(Address of principal executive offices)

Registrant's telephone number, including area code: (561) 682-8000

Not applicable.
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Introductory Note

On December 27, 2012 (the "Closing Date"), Ocwen Financial Corporation ("Ocwen," the "Company," "we" or "us") completed the previously announced Merger (as defined below) pursuant to that certain Merger Agreement (the "Merger Agreement") by and among Ocwen, O&H Acquisition Corp., a Delaware corporation and a wholly-owned subsidiary of Ocwen ("Merger Sub"), Homeward Residential Holdings, Inc., a Delaware corporation ("Homeward"), and WL Ross & Co. LLC, a Delaware limited liability company as shareholder representative (the "Representative"), pursuant to which Merger Sub merged with and into Homeward with Homeward continuing as the surviving corporation and becoming a wholly-owned subsidiary of Ocwen (the "Merger"). Information relating to the Merger was previously included in Ocwen's Current Report on Form 8-K, filed with the Securities and Exchange Commission (the "SEC") on October 5, 2012.

Item 1.01. Entry into a Material Definitive Agreement

Registration Rights Agreement

Pursuant to the Merger Agreement, on the Closing Date, Ocwen and certain holders (the "Holders") of Series A Perpetual Convertible Preferred Stock, having a par value of $0.01 per share (the "Preferred Stock"), entered into a Registration Rights Agreement (the "Registration Rights Agreement").

The Registration Rights Agreement provides that on or prior to the ninetieth (90^{th}) day following the Closing Date, Ocwen shall prepare and file with the SEC a registration statement covering the resale of all of the Preferred Stock, the Common Stock issued upon conversion of the Preferred Stock and any other securities issuable upon any stock split, dividend or other distribution, recapitalization or similar event with respect to such shares (the "Registrable Securities") not already covered by an existing and effective registration statement for an offering to be made on a continuous basis pursuant to Rule 415, or, if Rule 415 is not available, for offers and sales of the Registrable Securities, by such other means of distribution of Registrable Securities as the Company may reasonably determine. Ocwen must use commercially reasonable efforts to cause the registration statement to be declared effective (to the extent it is not automatically effective at the time it is filed) by the SEC as soon as reasonably practicable. In addition, Holders have certain demand and piggyback registration rights relating to the resale of Registrable Securities. Ocwen will pay all fees and expenses relating to any of its obligations under the Registration Rights Agreement, except for any underwriter or brokers' discounts or commissions. Ocwen will also indemnify Holders with respect to certain liabilities under the securities laws in connection with registrations pursuant to the Registration Rights Agreement.

Item 2.01. Completion of Acquisition or Disposition of Assets

On the Closing Date, Merger Sub merged with and into Homeward. Homeward was the surviving corporation in the Merger and, as a result, is now a wholly-owned subsidiary of Ocwen.

As consideration for the Merger, Ocwen paid $243 million plus the book value amount of Homeward and its subsidiaries, for an aggregate purchase price of approximately $766 million (the "Merger Consideration"). Of this amount, approximately $604 million was paid in cash and $162 million was paid in Preferred Stock. $85 million of the Merger Consideration has been placed into escrow for a period of 21 months following the closing date to fund any loss sharing payments and certain other indemnification payments that may become owed to Ocwen, as well as to fund certain expenses of the Representative.

Payment of the Merger Consideration was financed, in part, by a $100 million incremental term loan from Barclays Bank PLC ("Barclays") pursuant to the existing senior secured term loan facility we entered into on September 1, 2011 (the "Senior Secured Term Loan Facility" and the amount lent thereunder, the "Senior Secured Term Loan"), under which Barclays is administrator and collateral agent, and $75 million from Altisource Solutions S.à r.l. ("Altisource") pursuant to a new senior unsecured loan agreement. Information relating to the Senior Secured Term Loan Facility and Barclays' commitment with respect to financing our acquisition of certain assets from Residential Capital, LLC and its affiliates was previously included in Ocwen's Current Reports on Form 8-K, filed with the SEC on September 8, 2011 and November 8, 2012, respectively. Information relating to our ongoing relationship with Altisource and its parent was previously included in Ocwen's Quarterly Report on Form 10-Q filed with the SEC on November 2, 2012.

Payment of the Merger Consideration was also financed, in part, out of the proceeds from a sale of the right to receive the servicing fees, excluding ancillary income, relating to certain mortgage servicing rights and related servicing advance receivables to Home Loan Servicing Solutions, Ltd. Proceeds from this sale were approximately $504 million, of which approximately $126 million was used to pay down principal owed on the Senior Secured Term Loan. The remainder of the Merger Consideration was paid out of cash generated from our operations.

In connection with the Merger, we also paid approximately $352 million to terminate Homeward's existing senior credit facility under which Barclays was administrator and collateral agent.

The foregoing description of the Merger Agreement does not purport to be complete and is qualified in its entirety by reference to Item 1.01 of Ocwen's Current Report on Form 8-K filed with the SEC on October 5, 2012 and by the Merger Agreement attached thereto as Exhibit 2.1, and is incorporated herein by reference.

Item 2.03. Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant

Barclays Joinder Agreement

On December 27, 2012, Ocwen and certain subsidiaries of Ocwen entered into joinder agreement (the "Joinder Agreement") with Barclays, pursuant to the Senior Secured Term Loan Facility. Under the Joinder Agreement, Ocwen received an incremental term loan equal to $100 million (the "Incremental Term Loan"). As described above, these proceeds were used as a portion of the Merger Consideration.

The Incremental Term Loan will bear interest at a rate per annum equal to the one month Eurodollar rate plus 5.50%, provided that the Eurodollar Rate shall at no time be less than 1.50% per annum, and the principal is payable in full on September 1, 2016. The Incremental Term Loan is otherwise governed, in all material respects, by the Senior Secured Term Loan Facility, information relating to which was previously included in Ocwen's Current Report on Form 8-K, filed with the SEC on September 8, 2011.

Altisource Unsecured Loan Agreement

On December 27, 2012, Ocwen and certain subsidiaries of Ocwen entered into a senior unsecured term loan facility agreement (the "Unsecured Loan Agreement") with Altisource, and Ocwen borrowed thereunder a loan in a principal amount equal to $75 million. As described above, proceeds of this loan were used as a portion of the Merger Consideration. The Unsecured Loan Agreement has been guaranteed by Ocwen Loan Servicing, LLC. The Unsecured Loan Agreement contains a requirement that Homeward provide a guaranty thereof within 30 days of us entering into such agreement.

Borrowings under the Unsecured Loan Agreement will bear interest at a rate per annum equal to the one-month Eurodollar Rate plus 6.75%, provided that the Eurodollar Rate shall at no time be less than 1.50% per annum. Interest is payable quarterly on the fifteenth day of each March, June, September and December.

Ocwen is required to prepay the principal amount plus any accrued and unpaid interest under the Unsecured Loan Agreement when the Senior Secured Term Loan is paid in full. If the Senior Secured Term Loan is not paid off before October 31, 2013, Altisource may require Ocwen to convert all or a portion of the outstanding principal amount and all or a portion of the unpaid interest accrued on the Term Loan into any of the following, at Altisource's discretion (i) an investment in or of Homeward, (ii) property or assets of Homeward, (iii) equity interests of Homeward, or (iv) if Altisource and Ocwen agree, any other assets of Ocwen or its subsidiaries. Any such conversion shall occur (i) on mutually agreeable terms and conditions, including without limitation, conversion price, as reasonably negotiated in good faith between Ocwen and Altisource and (ii) unless Altisource otherwise agrees in writing, on or prior to November 15, 2013. The final maturity date for the Unsecured Loan Agreement is March 1, 2017. The Unsecured Loan Agreement does not provide for any scheduled amortization.

In addition, the Unsecured Loan Agreement contains provisions equivalent to those found in the Senior Secured Term Loan with respect to covenants and events of default, including (subject to certain materiality thresholds and grace periods) payment default, failure to comply with covenants, material inaccuracy of representation or warranty, bankruptcy or insolvency proceedings, material unsatisfied judgments, change of control, and cross-default to other debt and credit agreements. Information relating to our Senior Secured Term Loan was previously included in Ocwen's Current Report on Form 8-K, filed with the SEC on September 8, 2011.

Item 3.02. Unregistered Sales of Equity Securities

The description in Item 3.03 is incorporated in this Item 3.02 by reference.

The foregoing transaction is exempt from the registration requirements of the Securities Act of 1933, as amended, by Section 4(a)(2) thereof and/or Rule 506 of Regulation D promulgated thereunder. Exemptions other than the foregoing exemption(s) may exist for the transaction.

Item 3.03. Material Modification to Rights of Security Holders

Preferred Stock

In connection with the Merger, Ocwen filed Articles of Designation with the Secretary of State of the State of Florida (the "Articles of Designation") on December 14, 2012, thereby creating the series of Preferred Stock discussed above. On the Closing Date, Ocwen issued 162,000 shares of Preferred Stock to the Holders as part of the Merger Consideration.

The following is a summary of the voting powers, preferences and relative, participating, optional and other special rights of the shares of Preferred Stock, as set forth in the Articles of Designation:

- *Ranking*. The Preferred Stock shall, with respect to the payment of dividends, redemption and distributions upon the liquidation, winding up or dissolution of the Company rank senior to all classes of common stock (the "Common Stock").
- *Dividends*. Holders of the Preferred Stock shall be entitled to receive mandatory and cumulative dividends payable quarterly at the rate per share equal to the greater of (i) 3.75% per annum

multiplied by $1,000 per share and (ii) in the event the Company pays a regular quarterly dividend on its Common Stock in such quarter, the rate per share payable in respect of such quarterly dividend on an as-converted basis. If the Company declares a special dividend on Common Stock, then any dividend shall be payable to the holders of the shares of Common Stock and the Holders of the shares of Preferred Stock on a *pari passu*, as-converted basis. Any such dividend may be paid either in cash or shares of Preferred Stock.

- *Conversion*. Each share of Company Preferred Stock, together with any accrued and unpaid dividends, may be converted to Common Stock at the option of the Holder at a conversion price equal to $31.79.
- *Redemption.* The Company may redeem the Preferred Stock commencing on December 27, 2014.
- *Voting.* The Holders of Preferred Stock shall be entitled to vote on all matters submitted to the stockholders for a vote, voting together with the holders of the Common Stock as a single class, with each share of Common Stock entitled to one vote per share and each share of Preferred Stock entitled to one vote for each share of Common Stock issuable upon conversion of the Preferred Stock as of the record date for such vote or, if no record date is specified, as of the date of such vote.
- *Protective Provisions.* So long as any shares of the Preferred Stock are outstanding, the Company will not, without obtaining the approval of the Holders of a majority of the shares of Preferred Stock (i) issue any Preferred Stock other than the Preferred Stock issued on the Closing Date, any senior securities or any parity securities in excess of $325 million; (ii) amend or alter the Articles of Designation or Articles of Incorporation in any manner that under the Florida Business Corporation Act requires the prior vote as a separate class of the Holders of the Preferred Stock; (iii) amend or otherwise alter the Articles of Designation or the Articles of Incorporation in any manner that would adversely affect the rights, privileges or preferences of the Preferred Stock; (iv) pay any dividend in cash to the Common Stock in respect of any quarterly dividend unless the dividend payable in respect of such quarter on the Preferred Stock is also paid in cash to the same extent; or (v) waive compliance with any provision of the Articles of Designation or take any actions intended to circumvent the provisions of the Articles of Designation.

The Holders of the Preferred Stock also received registration rights for the Preferred Stock and the shares of Common Stock issuable upon conversion, as discussed above under “Registration Rights Agreement.”

The foregoing description of the Preferred Stock does not purport to be complete and is qualified in its entirety by reference to the full text of the Articles of Designation, a copy of which is filed as Exhibit 4.1 to this Current Report on Form 8-K and is incorporated herein by reference.

Item 5.03 Amendment to Articles of Incorporation or Bylaws; Change in Fiscal Year

The description in Item 3.03 of the filing of the Articles of Designation in connection with the issuance of the Preferred Stock is incorporated in this Item 5.03 by reference.

Forward-Looking Statements

This Current Report on Form 8-K (including information included or incorporated by reference herein) includes “forward-looking statements” within the meaning of the safe harbor provisions of the United States Private Securities Litigation Reform Act of 1995. Such statements may include, but are not limited

to, statements about the benefits of the Merger, including future financial and operating results, Ocwen's plans, objectives, expectations and intentions and other statements that are not historical facts. Such statements are based upon the current beliefs and expectations of the parties and are subject to significant risks and uncertainties. Actual results may differ from those set forth in the forward-looking statements.

Risks and uncertainties include uncertainties as to the possibility that the anticipated benefits from the Merger cannot be fully realized or may be significantly delayed, the possibility that costs or difficulties relating to integration of the two companies will be greater than expected, market conditions, the effects of disruption from the Merger making it more difficult to maintain business and operational relationships, as well as the risk of new and changing regulation and policies in the U.S. and internationally and the exposure to litigation and/or regulatory actions. Additional factors that could cause results to differ materially from those described in the forward-looking statements can be found in Ocwen's public disclosure filings with the SEC. Ocwen disclaims any intent or obligation to update any forward-looking statements as a result of developments occurring after the period covered by this report or otherwise. Copies of Ocwen's SEC filings are available at the SEC's website at www.sec.gov.

Item 9.01. Financial Statements and Exhibits

(a) Financial Statements of Businesses Acquired

The financial statements required to be filed pursuant to this Item 9.01(a) are not being filed with this Current Report on Form 8-K. The required financial statements will be filed with the SEC as soon as reasonably practicable, but in no event later than 71 days after the date on which this Current Report on Form 8-K is required to be filed.

(b) Pro Forma Financial Information

The pro forma financial information required by this item is not being filed with this Current Report on Form 8-K. The information required by this item will be filed with the SEC as soon as reasonably practicable, but in no event later than 71 days after the date on which this Current Report on Form 8-K is required to be filed.

(d) Exhibits

Exhibit No.	Description
2.1	Merger Agreement (incorporated by reference from Exhibit 2.1 to Ocwen's Current Report on Form 8-K filed with the SEC on October 5, 2012).
4.1	Articles of Amendment to the Amended and Restated Articles of Incorporation of Ocwen Financial Corporation, Articles of Designation, Preferences, and Rights of Series A Perpetual Convertible Preferred Stock (filed herewith).
10.1	Registration Rights Agreement, made and entered into as of December 27, 2012, by and among Ocwen Financial Corporation and the Holders (as defined therein) (filed herewith).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

OCWEN FINANCIAL CORPORATION

By: /s/ John V. Britti
John V. Britti
Executive Vice President and Chief Financial Officer (On behalf of the Registrant and as its principal financial officer)

DATE: December 28, 2012

ARTICLES OF AMENDMENT
TO THE
AMENDED AND RESTATED ARTICLES OF INCORPORATION
OF
OCWEN FINANCIAL CORPORATION

ARTICLES OF DESIGNATION, PREFERENCES, AND RIGHTS OF
SERIES A PERPETUAL CONVERTIBLE PREFERRED STOCK

Pursuant to Sections 607.0602 and 607.1006
of the Florida Business Corporation Act

Ocwen Financial Corporation, a Florida corporation (the "Company"), certifies that pursuant to the authority contained in its Amended and Restated Articles of Incorporation (the "Articles of Incorporation"), and in accordance with the provisions of Sections 607.0602 and 607.1006 of the Florida Business Corporation Act, the Board of Directors of the Company (the "Board of Directors") at a meeting duly called and held on October 2, 2012 duly approved and adopted the following resolution, which resolution remains in full force and effect on the date hereof:

RESOLVED, that pursuant to the authority vested in the Board of Directors by the Articles of Incorporation, the Board of Directors does hereby designate, create, authorize and provide for the issue of a series of preferred stock having a par value of $0.01 per share, with a liquidation preference of $1,000 per share (the "Liquidation Preference"), which shall be designated as Series A Perpetual Convertible Preferred Stock, consisting of Two Hundred Thousand (200,000) shares having the following voting powers, preferences and relative, participating, optional and other special rights, and qualifications, limitations and restrictions:

1. Designation and Number of Shares. The series of preferred stock shall be designated as "Series A Perpetual Convertible Preferred Stock", with a par value of $0.01 per share (the "Series A Preferred Stock"), and the number of shares so authorized and designated shall be Two Hundred Thousand (200,000). At all times the Company will have sufficient shares authorized and will take all actions necessary to authorize additional shares if required, in each case, to meet its obligations hereunder.

2. Ranking. The Series A Preferred Stock shall, with respect to payment of dividends, redemption and distributions upon the liquidation, winding-up and dissolution of the Company, rank (i) senior to all classes of Common Stock of the Company and to each other class of capital stock or series of preferred stock established after the date hereof by the Board of Directors, the terms of which do not expressly provide that it ranks senior to or on a parity with the Series A Preferred Stock as to dividends, redemptions and distributions upon the liquidation, winding-up

and dissolution of the Company (collectively referred to with the Common Stock of the Company as "Junior Securities"); (ii) on a parity with any additional shares of Series A Preferred Stock issued by the Company in the future (subject to compliance with Section 8) and any other class of capital stock or series of preferred stock issued by the Company, the terms of which expressly provide that such class or series will rank on a parity with the Series A Preferred Stock as to dividends, redemptions and distributions upon the liquidation, winding-up and dissolution of the Company (collectively referred to as "Parity Securities"); and (iii) junior to each class of capital stock or series of preferred stock issued by the Company (subject to compliance with Section 8), the terms of which expressly provide that such class or series will rank senior to the Series A Preferred Stock as to dividends, redemptions and distributions upon the liquidation, winding-up and dissolution of the Company (collectively referred to as "Senior Securities"). For the avoidance of doubt, a security shall not be deemed a Parity Security unless the dividend is payable in kind when the dividend of the Series A Preferred Stock is paid in kind, and a security shall not be deemed not to be a Parity Security solely because the dividend on such security has a coupon equal to or greater than the Series A Preferred Stock.

3. Dividends.

(a) Dividends. Holders of Series A Preferred Stock shall be entitled to receive, to the fullest extent permitted by law, mandatory and cumulative dividends payable quarterly in arrears with respect to each dividend period ending on and including the last calendar day of each quarter ending December 31, March 31, June 30 and September 30, respectively (each such period, a "Dividend Period" and each such date, a "Dividend Payment Date"), at the rate per share equal to the greater of (x) 3.75% per annum multiplied by the Liquidation Preference and (y) in the event the Company pays a regular quarterly dividend on its Common Stock in such quarter, the rate per share payable in respect of such quarterly dividend (treating each holder of shares of Series A Preferred Stock as being the holder of the number of shares of Common Stock into which such holder's shares would be converted if such shares were converted pursuant to the provisions of Section 5 hereof as of the record date for the determination of holders of Common Stock entitled to receive such dividend); provided that the initial Dividend Period will commence on the Series A Preferred Stock Issue Date and end on the second Dividend Payment Date thereafter. The record date for payment of quarterly dividends on the Series A Preferred Stock will be the 15th day of the calendar month of the applicable Dividend Payment Date, whether or not such date is a Trading Day. If any Dividend Payment Date is not a Trading Day, the applicable payment shall be due on the next succeeding Trading Day.

(b) Special Dividends. If and to the extent the Company intends to pay any dividend or make a distribution on shares of Common Stock (whether or not in the form of cash, but excluding any dividend which results in an adjustment to the Conversion Price as described below) other than a dividend as provided in 3(a) above (a "Special Dividend"), then any such dividend shall be payable to the holders of shares of Common Stock and Series A Preferred Stock on a *pari passu*, pro rata basis (treating each holder of shares of Series A Preferred Stock as being the holder of the number of shares of Common Stock into which such holder's shares of Series A Preferred Stock had been converted if such shares were converted pursuant to the provisions of Section 5 hereof as of the record date for the determination of holders of Common Stock entitled to receive such dividend). The record date for payment of any Special Dividend will be the same date as the record date for payment of the Special Dividend to holders of Common Stock, whether or not such date is a Trading Day. The payment date of any Special Dividend will be the same date on which payment of such dividend is made to holders of Common Stock ("Special Dividend Payment Date").

(c) Company's Ability to Pay Dividends in Cash or Kind. Dividends shall be paid in full, in cash ("Cash Dividend") for each Dividend Period on the applicable Dividend Payment Date; provided, that at the Company's option, the Company may pay all or any percentage of the dividends contemplated by paragraphs (a) and (b) above in cash or additional shares of Series A Preferred Stock ("PIK Dividends"). The Company shall provide the holders with at least five (5) Trading Days' notice of its election to pay all or any percentage of such dividend in shares of Series A Preferred Stock (the Company may indicate in such notice that the election contained in such notice shall continue for later periods until revised by a subsequent notice). If and to the extent that the Company does not for any reason pay the entire dividend payable for a particular Dividend Period either as a Cash Dividend, or a combination of Cash Dividend and PIK Dividend, on the applicable Dividend Payment Date for such period (whether or not the payment of dividends is permitted under applicable law or such dividends are declared by the Board of Directors of the Company), such unpaid dividends shall be paid in kind by issuance of additional Series A Preferred Stock (the "Additional PIK Dividends") to the holders of the Series A Preferred Stock as of the record date for the applicable Dividend Payment Date, on the first date on which such Additional PIK Dividend can be paid in accordance with applicable law.

(d) Dividend Calculations. Dividends on the Series A Preferred Stock shall be calculated on the basis of a 360-day year, consisting of twelve (12), thirty (30) calendar day periods, and shall accrue daily commencing on the Series A Preferred Stock Issue Date, and shall be deemed to accrue from such date whether or not earned or declared and whether or not there are profits, surplus or other funds of the Company legally available for the payment of dividends. Except as otherwise provided herein, if at any time the Company pays dividends partially in cash and partially in shares of Series A Preferred Stock, then such payment shall be distributed ratably among the holders of Series A Preferred Stock based upon the number of shares of Series A Preferred Stock held by each such holder on such Dividend Payment Date or Special Dividend Payment Date, as applicable. When a dividend or part thereof is paid in additional shares of Series A Preferred Stock, such number of additional shares shall be calculated by dividing the amount of such dividend or part thereof that would otherwise be paid in cash by the Liquidation Preference of a share of Series A Preferred Stock. For purposes of determining whether funds are legally available for any dividends pursuant to this Section 3, the assets of the Company shall, to the fullest extent permitted by law, be valued at the highest amount permissible under applicable law.

(e) Conversion Prior to or Following a Record Date. If the Conversion Date for any shares of Series A Preferred Stock is prior to the close of business on the record date for a dividend as provided in paragraphs (a) or (b) above, the holder of such shares shall not be entitled to any dividend in respect of such record date. If the Conversion Date for any shares of Series A Preferred Stock is after the close of business on the record date for a dividend as provided in paragraphs (a) or (b) above but prior to the corresponding Dividend Payment Date or Special Dividend Payment Date, as applicable, the holder of such shares as of the applicable record date shall be entitled to receive such dividend, notwithstanding the conversion of such shares prior to the applicable Dividend Payment Date or Special Dividend Payment Date, as applicable.

4. Transfer. The holders of shares of Series A Preferred Stock shall only be permitted to Transfer such shares of Series A Preferred Stock to a Permitted Transferee.

5. Conversion Rights.

(a) At the option of the holder, each share of Series A Preferred Stock may be converted into Common Stock at any time, unless previously redeemed (the "Conversion Right"). Upon exercise of the Conversion Right as provided in this Section 5, the Company shall deliver to the holder the number of shares of Common Stock equal to the quotient obtained by dividing (i) the value of a share of Series A Preferred Stock, which shall be the Liquidation Preference (plus any accrued but unpaid dividends thereon, whether or not declared) on the Conversion Date, by (ii) the Conversion Price in effect on the Conversion Date to determine the number of shares of Common Stock issuable upon conversion of each share of Series A Preferred Stock. Immediately following such conversion, the rights of the holders of converted Series A Preferred Stock shall cease and the persons entitled to receive the Common Stock upon the conversion of Series A Preferred Stock shall be treated for all purposes as having become the owners of such Common Stock.

(b) To convert Series A Preferred Stock, a holder must (A) surrender the certificate or certificates evidencing the shares of Series A Preferred Stock to be converted, duly endorsed in a form satisfactory to the Company, at the office of the Company or Transfer Agent for the Series A Preferred Stock, (B) notify the Company at such office that he elects to convert Series A Preferred Stock and the number of shares he wishes to convert, (C) state in writing the name or names in which he wishes the certificate or certificates for shares of Common Stock to be issued, and (D) pay any transfer or similar tax required by clause (d) below to be paid by the holder. In the event that a holder fails to notify the Company of the number of shares of Series A Preferred Stock which he wishes to convert, he shall be deemed to have elected to convert all shares represented by the certificate or certificates surrendered for conversion. The date on which the holder satisfies all those requirements is the "Conversion Date." As soon as practical following the Conversion Date, the Company shall deliver a certificate for the number of full shares of Common Stock issuable upon the conversion, and a new certificate representing the unconverted portion, if any, of the shares of Series A Preferred Stock represented by the certificate or certificates surrendered for conversion. The person in whose name the Common Stock certificate is registered shall be treated as the stockholder of record on and after the Conversion Date. The holder of record of a share of Series A Preferred Stock at the close of business on a record date with respect to the payment of dividends on the Series A Preferred Stock in accordance with Section 3 hereof will be entitled to receive such dividends with respect to such share of Series A Preferred Stock on the corresponding Dividend Payment Date, notwithstanding the conversion of such share after such record date and prior to such dividend payment date. If a holder of Series A Preferred Stock converts more than one share at a time, the number of full shares of Common Stock issuable upon conversion shall be based on the total Liquidation Preferences of all shares of Series A Preferred Stock converted.

(c) The Company shall not issue any fractional shares of Common Stock upon conversion of Series A Preferred Stock. Instead the Company shall pay a cash adjustment based upon the closing price of the Common Stock on the principal securities exchange on which the Common Stock is then listed on the Business Day prior to the Conversion Date.

(d) If a holder converts shares of Series A Preferred Stock, the Company shall pay any documentary, stamp or similar issue or transfer tax due on the issue of shares of Common Stock upon the conversion. However, the holder shall pay any such tax that is due because the shares are issued in a name other than the holder's name.

(e) The Company has reserved (and shall keep available and free from preemptive rights) and shall continue to reserve out of its authorized but unissued Common Stock or its Common Stock held in treasury a sufficient number of shares of Common Stock to permit the conversion of the Series A Preferred Stock in full. All shares of Common Stock that may be issued upon conversion of Series A Preferred Stock shall be fully paid and nonassessable. The Company shall use commercially reasonable efforts to comply with all securities laws regulating the offer and delivery of shares of Common Stock upon conversion of Series A Preferred Stock and shall endeavor to list such shares on each national securities exchange or automated quotation system on which the Common Stock is listed. All shares of Common Stock that are issued upon the exercise of Series A Preferred Stock shall, upon issuance, be validly issued, not subject to any preemptive rights, and, be free from all taxes, liens, security interests, charges, and other encumbrances with respect to the issuance thereof (collectively, "Encumbrances"), other than taxes in respect of any transfer occurring contemporaneously with such issue and Encumbrances created by the holder.

(f) In case the Company shall pay or make a dividend or other distribution on any outstanding class of capital stock of the Company payable in Common Stock, the Conversion Price in effect at the opening of business on the day following the date fixed for the determination of stockholders entitled to receive such dividend or other distribution shall be reduced by multiplying such Conversion Price by a fraction the numerator of which shall be the number of shares of Common Stock outstanding at the close of business on the date fixed for such determination and the denominator of which shall be the sum of such number of shares outstanding at the close of business on the date fixed for such determination and the total number of shares constituting such dividend or other distribution, such reduction to become effective retroactively to a date immediately following the close of business on the record date for the determination of the holders entitled to such dividends and distributions. For the purposes of this Section 5(f), the number of shares of Common Stock at any time outstanding shall not include shares held in the treasury of the Company. The Company will not pay any dividend or make any distribution on shares of Common Stock held in the treasury of the Company.

(g) In case the Company shall issue or sell Common Stock or Common Stock Equivalents at a price per share less than 95% of the Current Market Price per share of the Common Stock on the date fixed for the determination of stockholders entitled to receive such Common Stock or Common Stock Equivalents (treating the price per share of Common Stock, in the case of the issuance of any Common Stock Equivalent, as equal to (x) the sum of the price for such Common Stock Equivalent plus any additional consideration payable (without regard to any anti dilution adjustments) upon the conversion, exchange or exercise of such Common Stock

Equivalent divided by (y) the number of shares of Common Stock initially underlying such Common Stock Equivalent), the Conversion Price in effect at the opening of business on the day following the date fixed for such determination shall be reduced by multiplying such Conversion Price by a fraction (I) the numerator of which shall be the number of shares of Common Stock outstanding at the close of business on the date fixed for such determination plus the number of shares of Common Stock which the aggregate of the offering price of the total number of shares of Common Stock so offered for subscription, purchase or acquisition would purchase at such Current Market Price (or, in the case of Common Stock Equivalents, the number of shares of Common Stock which the aggregate consideration received by the Company upon the issuance of such Common Stock Equivalents and receivable by the Company upon the conversion, exchange or exercise of such Common Stock Equivalents would purchase at the Current Market Price of one share of Common Stock on the Relevant Date) and (II) the denominator of which shall be the number of shares of Common Stock outstanding at the close of business on the date fixed for such determination plus the number of shares of Common Stock so offered for subscription, purchase or acquisition (or, in the case of Common Stock Equivalents, the maximum number of shares of Common Stock into which such Common Stock Equivalents initially may convert, exchange or be exercised).

Such reduction shall become effective immediately on the issuance or sale of such Common Stock or Common Stock Equivalents. However, upon the expiration of any Common Stock Equivalent to purchase Common Stock, the issuance of which resulted in an adjustment in the Conversion Price pursuant to this Section 5(g), if any such Common Stock Equivalent shall expire and shall not have been exercised, the Conversion Price shall be recomputed immediately upon such expiration and effective immediately upon such expiration shall be increased to the price it would have been (but reflecting any other adjustments to the Conversion Price made pursuant to the provisions of this Section 5 after the issuance of such Common Stock Equivalents) had the adjustment of the Conversion Price made upon the issuance of such Common Stock Equivalents been made on the basis of offering for subscription or purchase only that number of shares of Common Stock actually purchased upon the exercise of such Common Stock Equivalents. No further adjustment shall be made upon exercise of any Common Stock Equivalent if any adjustment shall be made upon the issuance of such security. For the purposes of this Section 5(g), the number of shares of Common Stock at any time outstanding shall not include shares held in the treasury of the Company. The Company will not issue any Common Stock Equivalents in respect of shares of Common Stock held in the treasury of the Company. In case at any time any shares of Common Stock or Common Stock Equivalents or any rights or options to purchase any shares of Common Stock or Common Stock Equivalents shall be issued or sold for cash, the consideration received therefor shall be deemed to be the amount received by the Company therefor, without deduction therefrom of any expenses incurred or any underwriting commissions or concessions or discounts paid or allowed by the Company in connection therewith. In case any shares of Common Stock or Common Stock Equivalents or any rights or options to purchase any Common Stock or Common Stock Equivalents shall be issued or sold for a consideration other than cash, the amount of the consideration other than cash received by the Company shall be deemed to be the fair market value of such consideration, without deduction therefrom of any expenses incurred or any underwriting commissions or concessions or discounts paid or allowed by the Company in connection therewith, as determined by a nationally recognized appraiser selected by the Board of Directors.

(h) In case the outstanding shares of Common Stock shall be subdivided into a greater number of shares of Common Stock or the outstanding shares of Common Stock shall be combined into a smaller number of shares, then the Conversion Price in effect at the opening of business on the day following the day upon which such subdivision becomes effective shall be reduced, and, conversely, in case the outstanding shares of Common Stock shall each be combined into a smaller number of shares of Common Stock, the Conversion Price in effect at the opening of business on the day following the day upon which such combination becomes effective shall be increased to equal the product of the Conversion Price in effect on such date and a fraction the numerator of which shall be the number of shares of Common Stock outstanding immediately prior to such subdivision or combination, as the case may be, and the denominator of which shall be the number of shares of Common Stock outstanding immediately after such subdivision or combination, as the case may be. Such reduction or increase, as the case may be, shall become effective retroactively to the close of business on the day upon which such subdivision or combination becomes effective.

(i) In case a tender offer, exchange offer or other offer to repurchase made by the Company or any subsidiary of the Company for all or any portion of the Common Stock shall expire and such tender offer, exchange offer or other offer to repurchase shall involve the payment by the Company or such subsidiary of consideration per share of Common Stock having a fair market value (as determined by the Board of Directors or, to the extent permitted by applicable law, a duly authorized committee thereof, whose determination shall be conclusive and described in a resolution of the Board of Directors or such duly authorized committee thereof, as the case may be) at the last time (the "Expiration Time") tenders or exchanges may be made pursuant to such tender or exchange offer (as it shall have been amended) that exceeds by 5% or more the current market price per share of the Common Stock on the Trading Day next succeeding the Expiration Time, the Conversion Price shall be reduced so that the same shall equal the price determined by multiplying the Conversion Price in effect immediately prior to the Expiration Time by a fraction of which (I) the numerator shall be the number of shares of Common Stock outstanding (including any tendered or exchanged shares) on the Expiration Time multiplied by the Current Market Price per share of the Common Stock on the Trading Day next succeeding the Expiration Time and (II) the denominator shall be the sum of (x) the fair market value (determined as aforesaid) of the aggregate consideration payable to stockholders based on the acceptance (up to any maximum specified in the terms of the tender or exchange offer) of all shares validly tendered or exchanged and not withdrawn as of the Expiration Time (the shares deemed so accepted, up to any such maximum, being referred to as the "Purchased Shares") and (y) the product of the number of shares of Common Stock outstanding (less any Purchased Shares) on the Expiration Time and the Current Market Price per share of the Common Stock on the Trading Day next succeeding the Expiration Time, such reduction to become effective immediately prior to the opening of business on the day following the Expiration Time. For the purposes of this Section 5(i), the number of shares of Common Stock at any time outstanding shall not include shares held in the treasury of the Company.

(j) In case the Company shall issue to one or more Affiliates (other than (a) persons or entities who become Affiliates only as a result of such issuance, (b) directors, officers or employees of the Company under bona fide compensation or benefit arrangements or (c) upon the exercise of options or warrants or the conversion of convertible securities, issued for fair value at the time of any such issuance of options, warrants or convertible securities) Common

Stock at a price per share less than the Current Market Price per share of the Common Stock on the date of such issuance (the "Issue Date"), the Conversion Price in effect at the opening of business on the day following the Issue Date shall be reduced by multiplying such Conversion Price by a fraction the numerator of which shall be the number of shares of Common Stock outstanding at the close of business on the Issue Date plus the number of shares of Common Stock which the aggregate of the offering price of the total number of shares of Common Stock so issued would purchase at such Current Market Price and the denominator of which shall be the number of shares of Common Stock outstanding at the close of business on the Issue Date plus the number of shares of Common Stock so issued, such reduction to become effective immediately after the opening of business on the day following the Issue Date. For the purposes of this Section 5(j), the number of shares of Common Stock at any time outstanding shall not include shares held in the treasury of the Company. The Company will not pay any dividend or make any distribution on shares of Common Stock held in the treasury of the Company.

(k) In case the Company at any time or from time to time shall take any action affecting its Common Stock similar to or having an effect similar to any of the actions described in any of Sections 5(f) through 5(j) (but not including any action described in any such Section) then, and in each such case, the Conversion Price shall be adjusted in such manner and at such time as determined in good faith by the Board of Directors (and, for so long as the Initial Holders constitute the Majority Holders, the Majority Holders).

(l) The reclassification or change of Common Stock into securities, including securities other than Common Stock (other than any reclassification upon a consolidation or merger to which Section 6(a) below shall apply), shall be deemed to involve (A) a distribution of such securities other than Common Stock to all holders of Common Stock, and (B) a subdivision or combination, as the case may be, of the number of shares of Common Stock outstanding immediately prior to such reclassification into the number of Common Shares outstanding immediately thereafter (and the effective date of such reclassification shall be deemed to be "the day upon which such subdivision becomes effective" or "the day upon which such combination becomes effective," as the case may be, and "the day upon which such subdivision or combination becomes effective" within the meaning of Section 5(h) above).

(m) All calculations under this Section 5 shall be made to the nearest 1/10,000th of a cent or to the nearest 1/10,000th of a share, as the case may be.

(n) The Company from time to time may reduce the Conversion Price if it considers such reductions to be advisable in order that any event treated for federal income tax purposes as a dividend of stock or stock rights will not be taxable to the holders of Common Stock by any amount.

(o) For purposes of this Section 5, "Common Stock" includes any stock of any class of the Company which has no preference in respect of dividends or of amounts payable in the event of any voluntary or involuntary liquidation, dissolution or winding-up of the Company and which is not subject to redemption by the Company. However, subject to the provisions of Section 6(a) below, shares issuable on conversion of shares of Series A Preferred Stock shall include only shares of the class designated as Common Stock of the Company on the Series A Preferred Stock Issue Date or shares of any class or classes resulting from any reclassification

thereof and which have no preferences in respect of dividends or amounts payable in the event of any voluntary or involuntary liquidation, dissolution or winding-up of the Company and which are not subject to redemption by the Company; provided that, if at any time there shall be more than one such resulting class, the shares of each such class then so issuable shall be substantially in the proportion which the total number of shares of such class resulting from all such reclassifications bears to the total number of shares of all such classes resulting from all such reclassifications.

(p) No adjustment in the Conversion Price shall reduce the Conversion Price below the then par value of the Common Stock.

(q) If: (A) the Company takes any action which requires an adjustment in the Conversion Price pursuant to Section 5; (B) the Company consolidates or merges with, or transfers all or substantially all of its assets to, another corporation, and stockholders of the Company must approve the transaction; or (C) there is a dissolution or liquidation of the Company; the Company shall mail to holders of the Series A Preferred Stock, first class, postage prepaid, a notice stating the proposed record or effective date, as the case may be. The Company shall mail the notice at least ten (10) days before such date. However, failure to mail the notice or any defect in it shall not affect the validity of any transaction referred to in clause (A), (B) or (C) of this Section. Whenever the Conversion Price is adjusted, the Company shall promptly mail to holders of Series A Preferred Stock, first class, postage prepaid, a notice of the adjustment. The Company shall file with the Transfer Agent for the Series A Preferred Stock, if other than the Company, a certificate from the Company's chief financial officer briefly stating the facts requiring the adjustment and the manner of computing it.

(r) In any case in which this Section 5 shall require that an adjustment as a result of any event becomes effective from and after a record date, the Company may elect to defer until after the occurrence of such event the issuance to the holder of any shares of Series A Preferred Stock converted after such record date and before the occurrence of such event of the additional shares of Common Stock issuable upon such conversion over and above the shares issuable on the basis of the Conversion Price in effect immediately prior to adjustment; provided, however, that if such event shall not have occurred and authorization of such event shall be rescinded by the Company, the Conversion Price shall be recomputed immediately upon such rescission to the price that would have been in effect had such event not been authorized, provided that such rescission is permitted by and effective under applicable laws.

6. Change of Control; Liquidation Event.

(a) Change of Control. In the case of any Change in Control of the Company, then, upon consummation of such transaction, each holder of a share of Series A Preferred Stock shall be entitled to receive in respect of such share the greater of (i) the Liquidation Preference plus accrued and unpaid dividends thereon, whether or not declared, if any, or (ii) the amount such holder would receive if such holder converted such share of Series A Preferred Stock into the kind and amount of securities, cash or other assets receivable upon the consummation of the Change in Control by a holder of the number of shares of Common Stock into which such share of Series A Preferred Stock might have been converted immediately prior to such Change in Control (assuming such holder of Common Stock failed to exercise any rights of election and

received per share the kind and amount of consideration receivable per share by a plurality of non-electing shares). Appropriate adjustment (as determined by the Board of Directors) shall be made in the application of the provisions herein set forth with respect to the rights and interests thereafter of the holders of Series A Preferred Stock, to the end that the provisions set forth herein (including provisions with respect to changes in and other adjustment of the Conversion Price) shall thereafter be applicable, as nearly as reasonably may be, in relation to any shares of stock or other securities or property thereafter deliverable upon the conversion of Series A Preferred Stock. If this Section 6(a) applies, Sections 5(f), 5(h) and 5(l) do not apply.

(b) Liquidation Event. Upon any Liquidation Event of the Company, each holder of shares of the Series A Preferred Stock will be entitled to payment out of the assets of the Company available for distribution, before any distribution or payment out of such assets may be made to the holders of any Junior Securities, and subject to the rights of the holders of any Senior Securities or Parity Securities upon liquidation and the rights of the Company's creditors, of an amount equal to the Liquidation Preference plus accrued and unpaid dividends thereon, whether or not declared. After payment in full of the Liquidation Preference plus accrued and unpaid dividends thereon to which holders of Series A Preferred Stock are entitled, such holders will not be entitled to any further participation in any distribution of assets of the Company. If, upon any Liquidation Event of the Company, the amounts payable with respect to the Series A Preferred Stock and any other Parity Securities are not paid in full, the holders of the Series A Preferred Stock and such Parity Securities will share equally and ratably in any distribution of assets of the Company in proportion to the full liquidation preference and accumulated and unpaid dividends, if any, and other amounts payable in such event, to which each is entitled. The following shall be regarded as "Liquidation Events" within the meaning of this Section 5 (without limitation): (a) the commencement of a voluntary or involuntary case with respect to the Company or any subsidiary holding all or substantially all of the Company's assets (on a consolidated basis) pursuant to or within the meaning of Title 11 of the United States Code, (b) the appointment of a custodian for all or substantially all of the assets of the Company and its Subsidiaries, taken as a whole, and (c) a general assignment by the Company for the benefit of its creditors. To the maximum extent that any liquidating distribution is made in a combination of cash and property other than cash, the liquidating distributions to the holders of the Series A Preferred shall be made in cash to the maximum extent possible, in preference and priority to the liquidating distribution payable to any other capital stock, other than Parity Stock (in which case, such distribution in cash shall be made pro rata) or Senior Stock. Whenever the distribution provided for in this Section shall be payable in property other than cash, the value of such distribution shall be the fair market value of such property as determined in good faith by the Board of Directors.

7. Redemptions.

(a) The shares of Series A Preferred Stock shall be redeemable, at the option of the Company, in whole, or, from time to time, in part, at any time beginning on the second anniversary of the Series A Preferred Stock Issue Date, payable by the Company through the issuance of shares of Common Stock. The number of shares of Common Stock to be delivered by the Company with respect to the shares of Series A Preferred Stock being redeemed (the "Redemption Payment"), shall be equal to (1) the Applicable Redemption Amount (as defined below) per share of the Series A Preferred Stock being redeemed, divided by (2) the Current Market Price on the Redemption Date.

(b) The "Applicable Redemption Amount" shall mean:

(i) on and after the second anniversary of the Series A Preferred Stock Issue Date and prior to the third anniversary of the Series A Preferred Stock Issue Date, an amount per share of Series A Preferred Stock being redeemed equal to the product of (i) 103% and (ii) the Liquidation Preference (up to and including the Redemption Date), plus all accrued and unpaid dividends thereon, whether or not declared;

(ii) on and after the third anniversary of the Series A Preferred Stock Issue Date and prior to the fourth anniversary of the Series A Preferred Stock Issue Date, an amount per share of Series A Preferred Stock being redeemed equal to the product of (i) 102% and (ii) the Liquidation Preference (up to and including the Redemption Date) plus all accrued and unpaid dividends thereon, whether or not declared;

(iii) on and after the fourth anniversary of the Series A Preferred Stock Issue Date and prior to the fifth anniversary of the Series A Preferred Stock Issue Date, an amount per share of Series A Preferred Stock being redeemed equal to product of (i) 101% and (ii) the Liquidation Preference (up to and including the Redemption Date) plus all accrued and unpaid dividends thereon, whether or not declared; and

(iii) on and after the fifth anniversary of the Series A Preferred Stock Issue Date and thereafter, at an amount per share of Series A Preferred Stock being redeemed equal to the Liquidation Preference (up to and including the Redemption Date) plus all accrued and unpaid dividends thereon, whether or not declared.

(c) If fewer than all of the outstanding shares of Series A Preferred Stock are to be redeemed pursuant to Section 7(a) hereof, the number of shares to be so redeemed shall be determined by the Board of Directors and the shares to be redeemed shall be pro rata from each holder of Series A Preferred Stock, based upon the number of shares of Series A Preferred Stock held by each holder.

(d) At least thirty (30) days prior to the date fixed for the redemption of shares of Series A Preferred Stock, a written notice shall be mailed in postage prepaid envelope to each holder of record of the shares of Series A Preferred Stock to be redeemed, addressed to such holder at his or her post office address as shown on the records of the Company (or other Transfer Agent), notifying such holder that its shares are subject to redemption, stating the date fixed for redemption thereof (the "Redemption Date"), and calling upon such holder to surrender to the Company, on the Redemption Date at the place designated in such notice, his or her certificate or certificates representing the number of shares specified in such notice of redemption; provided, however, that such notice shall not prohibit any holder from exercising its Conversion Right at any time prior to the Redemption Date. On or after the Redemption Date, such holder of shares of Series A Preferred Stock to be redeemed shall present and surrender his or her certificate or certificates for such shares to the Company at the place designated in such notice and thereupon the Redemption Payment in respect of such shares shall be paid to the order of the person whose name appears on such certificate or certificates as the owner thereof and such surrendered certificate shall be cancelled. In case less than all the shares represented by any such certificates are redeemed, a new certificate shall be issued representing the unredeemed shares.

(e) From and after the Redemption Date (unless the Company defaults in payment of the Redemption Payment), all dividends on the shares of Series A Preferred Stock designated for redemption in such notice shall cease to accrue, and all rights of the holders thereof as stockholders of the Company, except the right to receive the Redemption Payment in respect of such shares (including an amount equal to all accrued and unpaid dividends thereon, whether or not declared, if any, up to the Redemption Date) upon the surrender of certificates representing the same, shall cease and terminate and such shares shall not thereafter be transferred (except with the consent of the Company) on the books of the Company, and such shares shall not be deemed to be outstanding for any purpose whatsoever; provided however, in the case of the Redemption Date falling after a dividend payment record date and prior to the related Dividend Payment Date or Special Dividend Payment Date, the holders of Series A Preferred Stock at the close of business on such record date will be entitled to receive the dividend payable on such shares on the corresponding Dividend Payment Date or Special Dividend Payment Date, notwithstanding the redemption of such shares following such dividend payment record date, but such dividend amount shall not be deemed accumulated and unpaid for purposes of calculating the Applicable Redemption Amount hereunder.

(f) If a notice of redemption has been given pursuant to this Section 7 and any holder of shares of Series A Preferred Stock shall, prior to the close of business on the day preceding the Redemption Date, given written notice to the corporation pursuant to Section 5 above of the conversion of any or all of the shares to be redeemed held by such holder (accompanied by a certificate or certificates for such shares, duly endorsed or assigned to the Company, and any necessary transfer tax payment, as required by Section 5 above), then such redemption shall not become effective as to such shares to be converted, such conversion shall become effective as provided in Section 5 above, and any moneys set aside by the Company for the redemption of such shares of converted Series A Preferred Stock shall revert to the general funds of the Company.

8. Voting Rights.

(a) The holders of Series A Preferred Stock shall be entitled to notice of all stockholders meetings in accordance with the Company's bylaws and the FBCA, and except as otherwise required by applicable law, the holders of the Series A Preferred Stock shall be entitled to vote on all matters submitted to the stockholders for a vote, voting together with the holders of the Common Stock as a single class, with each share of Common Stock entitled to one vote per share and each share of Series A Preferred Stock entitled to one vote for each share of Common Stock issuable upon conversion of the Series A Preferred Stock as of the record date for such vote or, if no record date is specified, as of the date of such vote.

(b) So long as any shares of Series A Preferred Stock are outstanding, the Company shall not, either directly or indirectly, by amendment, merger, reorganization, reclassification, recapitalization, conversion, consolidation or otherwise, do any of the following without (in addition to any other vote required by law or the Articles of Incorporation) the affirmative vote or consent of the Majority Holders, given in person or by proxy, either in writing by consent or by resolution adopted at an annual or special meeting and any act or transaction entered into without such vote or consent shall be void ab initio and of no force and effect:

(i) authorize, create (by way of reclassification or otherwise) or issue any Senior Securities or any obligation or security convertible or exchangeable into or evidencing the right to purchase, shares of any class or series of Senior Securities;

(ii) reclassify, alter or amend any authorized Parity Securities, Senior Securities or Junior Securities of the Company, if such reclassification, alteration or amendment would render such other security senior to (or, in the case of Senior Securities, senior in additional respects to) the Series A Preferred Stock;

(iii) issue any Series A Preferred Stock other than (A) the Series A Preferred Stock issued on the Series A Preferred Stock Issue Date and (B) PIK Dividends;

(iv) prior to the third anniversary of the Series A Preferred Stock Issue Date, issue any Parity Securities or any obligation or security convertible or exchangeable into or evidencing the right to purchase, shares of any class or series of Parity Securities, in each case, to the extent that the aggregate liquidation preference in respect of all Parity Securities then outstanding (other than the Series A Preferred Stock) would exceed $325,000,000;

(v) amend or otherwise alter these Articles of Designation or the Articles of Incorporation in any manner that under the FBCA requires the prior vote as a separate class of the holders of Series A Preferred Stock;

(vi) amend or otherwise alter these Articles of Designation or the Articles of Incorporation in any manner that would adversely affect the rights, privileges or preferences of the Series A Preferred Stock;

(vii) pay any dividend in cash to the Common Stock, other Junior Securities or Parity Securities in respect of any quarterly dividend unless the dividend payable in respect of such quarter on the Series A Preferred Stock is also paid in cash to the same extent; or

(viii) waive compliance with any provision of these Articles of Designation or take any actions intended to circumvent the provisions of these Articles of Designations.

(c) Without the consent of each holder affected, an amendment or waiver of the Company's Articles of Incorporation or of these Articles of Designation may not (with respect to any shares of Series A Preferred Stock held by a non-consenting holder):

(i) alter the voting rights with respect to the Series A Preferred Stock or reduce the number of shares of Series A Preferred Stock whose holders must consent to an amendment, supplement or waiver;

(ii) reduce the Liquidation Preference or alter the provisions with respect to the redemption of the Series A Preferred Stock;

(iii) alter the conversion rights of the holders of Series A Preferred Stock set forth in Section 5 hereof;

(iv) reduce the rate of payment of dividends on any share of Series A Preferred Stock;

(v) waive the consequences of any failure to pay dividends on the Series A Preferred Stock;

(vi) make any share of Series A Preferred Stock payable in any form other than that stated in these Articles of Designation;

(vii) make any change in the provisions of these Articles of Designation relating to waivers of the rights of holders of Series A Preferred Stock to receive the Liquidation Preference and dividends on the Series A Preferred Stock; or

(viii) waive a redemption payment with respect to any share of Series A Preferred Stock.

(d) Notwithstanding the foregoing, nothing herein or otherwise in the Company's Articles of Incorporation or bylaws shall limit or prevent the right of the holders of the Series A Preferred Stock from, to the fullest extent allowed by law, exercising the voting rights provided in this Section by written consent of the Majoirty Holders.

9. Board Observer; Information Rights.

(a) The Initial Holders shall have the right to appoint one individual (the "Board Observer") to attend as a nonvoting observer all meetings of the Company's Board of Directors and each committee thereof, except for any portion of a meeting of the Board of Directors that intends to consider, or any committee formed to consider, a transaction between the Company and the Initial Holders, any of their Affiliates or any holder that is Affiliated with the Board Observer or an Affiliate of any holder that is Affiliated with the Board Observer, and provided that the Board Observer is subject to a customary non-disclosure agreement. The Company shall provide the Board Observer with (i) notice of all meetings of the Board of Directors and (ii) all information delivered to the members of such Board of Directors (or committees thereof) prior to such meetings, and all other materials, including proposed written consent actions, otherwise provided to the Board of Directors, at the same time such notice and information is delivered to the members of the Board of Directors. Notwithstanding the above, the Company has the right to withhold any information from the Board Observer and to exclude the Board Observer from any meeting or portion thereof of the Board of Directors or committees thereof if access to such information or attendance at such meeting, could:

(1) remove the attorney-client privilege between the Company and its counsel;

(2) cause the Board of Directors to breach its duties to the Company and its stockholders; or

(3) result in a direct conflict between interests of the Company, on the one hand, and those of the Board Observer or its Affiliates, on the other hand.

The Company will use its reasonable efforts to ensure that any withholding of information or any restriction on attendance is limited only to the extent necessary set forth in the preceding sentence. Notwithstanding anything in the foregoing to the contrary, the Company shall be entitled to take actions and establish procedures to the extent reasonably required to restrict the access of the Board Observer to any restricted national security data of the Company or of any other Person whose national security data is in the possession or control of the Company. The Board Observer shall not have any authority to bind the Company.

(b) The Company shall permit the Initial Holders, at the Initial Holders' expense and upon reasonable prior notice and such other reasonable conditions as requested by the Company, to visit and inspect the Company's properties, to examine its books of account and records and to discuss its affairs, finances and accounts with such officers as are designated by the Company, all at such reasonable times as may be requested by the Initial Holders; provided, however, that the Company shall not be obligated pursuant to this Section 9(b) to provide access to any information which it reasonably considers to be a trade secret or similar confidential information or such other information as is contemplated by Section 9(a) above.

(c) Notwithstanding the foregoing, at such time as the aggregate amount of outstanding shares of Series A Preferred Stock Beneficially Owned by the Initial Holders is less than 50% of the shares of Series A Preferred Stock issued to the Initial Holders on the Original Issuance Date, the Initial Holders shall no longer be entitled to appoint the Board Observer under Section 9(a) or receive the information and access rights under Section 9(b).

10. Amendment. These Articles of Designation shall not be amended, either directly or indirectly, or through merger or consolidation with another entity or otherwise, in any manner that would alter or change the powers, preferences or special rights of the Series A Preferred Stock so as to affect them adversely without the affirmative vote of the Majority Holders, voting separately as a class.

11. Exclusion of Other Rights. Except as may otherwise be required by law, the shares of Series A Preferred Stock shall not have any voting powers, preferences and relative, participating, optional or other special rights, other than those specifically set forth in this resolution (as such resolution may be amended from time to time) and in the Articles of Incorporation. The shares of Series A Preferred Stock shall have no preemptive or subscription rights.

12. Headings of Subdivisions. The headings of the various subdivisions hereof are for convenience of reference only and shall not affect the interpretation of any of the provisions hereof.

13. Severability of Provisions. If any voting powers, preferences and relative, participating, optional and other special rights of the Series A Preferred Stock and qualifications, limitations and restrictions thereof set forth in this resolution (as such resolution may be amended from time to time) is invalid, unlawful or incapable of being enforced by reason of any rule of law or public policy, all other voting powers, preferences and relative, participating, optional and other special rights of Series A Preferred Stock and qualifications, limitations and restrictions thereof set forth in this resolution (as so amended) which can be given effect without the invalid, unlawful or unenforceable voting powers, preferences and relative, participating, optional or other special rights of Series A Preferred Stock and qualifications, limitations and restrictions thereof shall, nevertheless, remain in full force and effect and no voting powers, preferences and relative, participating, optional or other special rights of Series A Preferred Stock and qualifications, limitations and restrictions thereof herein set forth shall be deemed dependent upon any other such voting powers, preferences and relative, participating, optional or other special rights of Series A Preferred Stock and qualifications, limitations and restrictions thereof unless so expressed herein.

14. Re-issuance of Series A Preferred Stock. Shares of Series A Preferred Stock that have been issued and reacquired in any manner, including shares purchased or redeemed or exchanged or converted, shall (upon compliance with any applicable provisions of the laws of Florida) have the status of authorized but unissued shares of preferred stock of the Company undesignated as to series and may be designated or re-designated and issued or reissued, as the case may be, as part of any series of preferred stock of the Company, provided that any issuance of such shares as Series A Preferred Stock must be in compliance with the terms hereof.

15. Mutilated or Missing Series A Preferred Stock Certificates. If physical certificates are issued for the Series A Preferred Stock and if any of such Series A Preferred Stock certificates shall be mutilated, lost, stolen or destroyed, the Company shall issue, at the holder's expense, in exchange and in substitution for and upon cancellation of the mutilated Series A Preferred Stock certificate, or in lieu of and substitution for the Series A Preferred Stock certificate lost, stolen or destroyed, a new Series A Preferred Stock certificate of like tenor and representing an equivalent amount of shares of Series A Preferred Stock, but only upon receipt of evidence of such loss, theft or destruction of such Series A Preferred Stock certificate and indemnity, if requested, satisfactory to the Company and the Transfer Agent (if other than the Company).

16. Transfer Agent, Conversion Agent, Registrar and Paying Agent. The Transfer Agent, conversion agent, registrar and paying agent shall initially be the Company. The Company may appoint a successor to any one or more of such roles (and may remove any such successor in accordance with any agreement with such successor and appoint a new successor). Upon any such removal or appointment, the Company shall notify the holders of the Series A Preferred Stock thereof.

17. Withholding Taxes. All payments and distributions (or deemed distributions) on the shares of Series A Preferred Stock (and any shares of Common Stock issued upon conversion thereof) shall be subject to withholding and backup withholding of tax to the extent required by law, and such amounts withheld, if any, shall be treated as received by the holders of Series A Preferred Stock.

18. Waiver. Except to the extent expressly provided herein, any provision contained herein and any right of the holders of Series A Preferred Stock granted hereunder may be waived as to all shares of Series A Preferred Stock (and the holders thereof) upon the written consent of the Board (or an authorized committee thereof) and the Majority Holders.

19. Certain Definitions. As used in these Articles of Designation, the following terms shall have the following meanings (with terms defined in the singular having comparable meanings when used in the plural and vice versa), unless the context otherwise requires:

"Affiliate" means, with respect to any specified Person, any Person that, directly or indirectly, controls, is controlled by, or is under common control with, such specified Person, through one or more intermediaries or otherwise. For purposes hereof, "control" (including, with correlative meaning, the terms "controlled by" and "under common control with") means the possession, direct or indirect, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by contract or otherwise.

"Beneficially Owned" means with respect to any securities having "beneficial ownership" of such securities (as determined pursuant to Rule 13d-3 under the Exchange Act).

"Business Day" means a day other than a Saturday, Sunday or other day on which commercial banks in New York, New York are authorized or required by Law to close.

"Change in Control" means the occurrence of any of the following events: (a) any "person" or "group" (as such terms are used in Sections 13(d) and 14(d) of the Exchange Act), is or becomes the "beneficial owner" (as defined in Rules 13d-3 and 13d-5 under the Exchange Act, except that a person shall be deemed to have "beneficial ownership" of all securities that such person has the right to acquire, whether such right is exercisable immediately or only after the passage of time), directly or indirectly, of more than 50% of the total voting capital stock of the Company after the date hereof; (b) the Company consolidates with, or merges with or into, or enters into any other business combination with, another Person or sells, assigns, conveys, transfers, leases or otherwise disposes of all or substantially all of its assets to any Person, or any Person consolidates with, or merges with or into, the Company, in any such event in a transaction in which the outstanding voting capital stock of the Company is converted into or exchanged for cash, securities or other property, provided that following such transaction the holders of voting stock of the Company immediately prior to such transaction do not own more than 50% of the voting stock of the company surviving such transaction or to which such assets are transferred (unless the Majority Holders elect not to treat such transaction as a Change in Control), or (c) any merger, consolidation or other business combination of the Company with or into another Person that results in the cancellation of any shares of Series A Preferred Stock or that results in the conversion or exchange of any shares of Series A Preferred Stock into or for (1) shares of any other class or series of capital stock of the Company, (2) capital stock of the Company or any other Person (or the right to receive any such capital stock), (3) any property (including, without limitation, cash and the right to receive cash or property) or (4) any combination of the foregoing (unless the Majority Holders elect not to treat such transaction as a Change in Control).

"Common Stock" means the Common Stock, par value $.01 per share, of the Company as presently constituted.

"Common Stock Equivalent" means any security or obligation which is by its terms, directly or indirectly, convertible into or exchangeable or exercisable for shares of Common Stock, including, without limitation, any option, warrant or other subscription or purchase right with respect to Common Stock or any Common Stock Equivalent.

"Conversion Price" shall initially equal 110% of the lower of (a) $28.90 and (b) the Thirty Day VWAP prior to the Series A Preferred Stock Issue Date, and thereafter shall be subject to adjustment from time to time pursuant to the terms of Section 5 hereof.

"Current Market Price" per share of Common Stock on any day shall be deemed to be the average of the closing prices of the Common Stock for the twenty (20) consecutive Trading Days ending the day before the day in question, except with respect to issuances of Common Stock or Common Stock Equivalent to employees, directors and consultants, in which case Current Market Price shall be the fair market value of such Common Stock or Common Stock Equivalent on the date of issuance as calculated in accordance with standard Company practices.

"Daily VWAP" means the volume-weighted average price per share of Common Stock as displayed under the heading "Bloomberg VWAP" on the Bloomberg page for the "<equity> AQR" page corresponding to the "ticker" for such Common Stock (or its equivalent successor if such page is not available) in respect of the period from the scheduled open of trading until the scheduled close of trading of the primary trading session on such Trading Day (or if such volume-weighted average price is unavailable, the market value of one share of such Common Stock on such Trading Day. The "volume weighted average price" shall be determined without regard to after-hours trading or any other trading outside of the regular trading session trading hours.

"Exchange Act" means the Securities Exchange Act of 1934, as amended.

"FBCA" means the Florida Business Corporation Act, as amended.

"Initial Holders" means the recipients of the Series A Preferred Stock on the Series A Preferred Stock Issue Date.

"Liquidation Preference" means $1,000 per share of Series A Preferred Stock.

"Majority Holders" means the holders who at any point in time hold at least 50.1% of the then outstanding shares of the Series A Preferred Stock.

"Person" means any individual, firm, corporation, partnership, limited liability company, incorporated or unincorporated association, joint venture, joint stock company, Governmental Authority or other entity of any kind.

"Permitted Transfer" means a transfer by the holder of Series A Preferred Stock in accordance with all applicable laws and regulations.

"Permitted Transferee" means the recipient of a Permitted Transfer.

"SEC" means the Securities and Exchange Commission.

"Securities Act" means the Securities Act of 1933, as amended.

"Series A Preferred Stock Issue Date" means the date on which the Series A Preferred Stock was originally issued by the Company to the Initial Holders under these Articles of Designation.

"Thirty Day VWAP" means, with respect to a security, the average of the Daily VWAP of such security for each day during a thirty (30) consecutive Trading Day period ending immediately prior to the date of determination.

"Trading Day" means any day on which the New York Stock Exchange or other applicable stock exchange or market is open for business.

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

"Transfer Agent" shall be the Company unless and until a successor is selected by the Company as provided herein.

IN WITNESS WHEREOF, the Company has caused these Articles of Amendment to be executed by its duly authorized officer.

Dated: December 13, 2012

OCWEN FINANCIAL CORPORATION

By: /s/ John V. Britti
Name: John V. Britti
Title: Chief Financial Officer

REGISTRATION RIGHTS AGREEMENT

This Registration Rights Agreement (this "*Agreement*") is made and entered into as of December 27, 2012, by and among Ocwen Financial Corporation, a Florida corporation (the "*Company*"), and the several parties signatory hereto and any parties identified on the signature pages of any joinder agreement executed and delivered pursuant hereto (each a "*Holder*" and collectively, the "*Holders*").

This Agreement is made pursuant to the Merger Agreement, dated as of October 3, 2012, among the Company, O&H Acquisition Corp., a Delaware corporation and a wholly owned subsidiary of the Company, Homeward Residential Holdings, Inc., a Delaware corporation, and the Representative (as defined therein), pursuant to which the initial parties hereto (other than the Company) are receiving from the Company 162,000 shares of Series A Perpetual Convertible Preferred Stock (the "*Series A Preferred Stock*").

NOW, THEREFORE, IN CONSIDERATION of the mutual covenants contained in this Agreement, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Company and each of the Holders agree as follows:

1. Definitions. Capitalized terms used and not otherwise defined herein that are defined in the Merger Agreement shall have the meanings given such terms in the Merger Agreement. As used in this Agreement, the following terms shall have the following meanings:

"*Advice*" shall have the meaning set forth in Section 8(d).

"*Affiliate*" means, with respect to any person, any other person which directly or indirectly controls, is controlled by, or is under common control with, such person.

"*Agreement*" shall have the meaning set forth in the Preamble.

"*Allowable Grace Period*" shall have the meaning set forth in Section 2(d).

"*Availability Date*" shall have the meaning set forth in Section 5(n).

"*Automatic Shelf Registration Statement*" means an "automatic shelf registration statement" as defined under Rule 405.

"*Business Day*" means a day, other than a Saturday or Sunday, on which banks in New York City are open for the general transaction of business.

"*Closing Date*" shall have the meaning set forth in the Merger Agreement.

"*Commission*" means the Securities and Exchange Commission.

"*Common Stock*" means the common stock of the Company, par value $0.01 per share, and any securities into which such shares of common stock may hereinafter be reclassified.

"*Company*" shall have the meaning set forth in the Preamble.

"*Effective Date*" means the date that the Registration Statement filed pursuant to Section 2(a) is first declared effective by the Commission.

"*Effectiveness Deadline*" means, with respect to the Initial Registration Statement or the New Registration Statement, (A) the date such Registration Statement is filed, if the Company is a WKSI at such date, or (B) if the Company is not a WKSI as of the date such Registration Statement is filed, the earlier of (i) the 90th calendar day following the Closing Date and (ii) the 5th Trading Day after the date the Company is notified (orally or in writing, whichever is earlier) by the Commission that such Registration Statement will not be "reviewed" or will not be subject to further review; *provided*, that if the Effectiveness Deadline falls on a Saturday, Sunday or other day that the Commission is closed for business, the Effectiveness Deadline shall be extended to the next Business Day on which the Commission is open for business.

"*Effectiveness Period*" shall have the meaning set forth in Section 2(b).

"*Exchange Act*" means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

"*FINRA*" shall have the meaning set forth in Section 5(i).

"*Grace Period*" shall have the meaning set forth in Section 2(d).

"*Holder*" or "*Holders*" shall have the meaning set forth in the Preamble.

"*Indemnified Party*" shall have the meaning set forth in Section 7(c).

"*Indemnifying Party*" shall have the meaning set forth in Section 7(c).

"*Initial Registration Statement*" means the initial Registration Statement filed pursuant to Section 2(a) of this Agreement.

"*Losses*" shall have the meaning set forth in Section 7(a).

"*Merger Agreement*" shall have the meaning set forth in the Recitals.

"*New Registration Statement*" shall have the meaning set forth in Section 2(a).

"*Other Holders*" shall have the meaning set forth in Section 4(a).

"*Parity Securities*" shall have the meaning set forth in the Buyer Certificate of Designation.

"*Person*" means an individual or corporation, partnership, trust, incorporated or unincorporated association, joint venture, limited liability company, joint stock company, government (or an agency or subdivision thereof) or other entity of any kind.

"*Piggyback Notice*" shall have the meaning set forth in Section 4(a).

"*Piggyback Registration*" shall have the meaning set forth in Section 4(a).

"*Proceeding*" means an action, claim, suit, investigation or proceeding (including, without limitation, an investigation or partial proceeding, such as a deposition), whether commenced or threatened.

"*Prospectus*" means the prospectus included in a Registration Statement (including, without limitation, a prospectus that includes any information previously omitted from a prospectus filed as part of an effective registration statement in reliance upon Rule 430A promulgated under the Securities Act), as amended or supplemented by any prospectus supplement, with respect to the terms of the offering of any portion of the Registrable Securities covered by a Registration Statement, and all other amendments and supplements to the Prospectus, including post-effective amendments, and all material incorporated by reference or deemed to be incorporated by reference in such Prospectus.

"*Registrable Securities*" means (i) any shares of Series A Preferred Stock issued pursuant to the Merger Agreement, (ii) any shares of Common Stock issued upon conversion of shares of the Series A Preferred Stock and (iii) any other securities of the Company issued or issuable upon any stock split, dividend or other distribution, recapitalization or similar event with respect to the Shares, *provided*, that the Holder has completed and delivered to the Company a Selling Stockholder Questionnaire; and *provided, further*, that Shares shall cease to be Registrable Securities upon the earliest to occur of the following: (A) a sale pursuant to a Registration Statement or Rule 144 under the Securities Act (in which case, only such Shares sold shall cease to be a Registrable Security); (B) becoming eligible for sale without the requirement for the Company to be in compliance with the current public information required under Rule 144 and without volume or manner of sale restrictions by Holders who are not Affiliates of the Company; (C) such Shares shall have ceased to be outstanding; or (D) such Shares have been acquired by the Company. In addition, to the extent any shares of a new or existing company are distributed by the Company with respect to the Shares (a "Spin-Off"), such shares of the new or existing company shall be deemed to be Registrable Securities if such shares are deemed by the Commission to be "restricted securities" under Rule 144 immediately following the consummation of the Spin-Off; *provided*, that if such shares are so deemed by the Commission to be "restricted securities", such shares shall cease to be Registrable Securities upon the earliest to occur of the following: (A) a sale pursuant to a Registration Statement or Rule 144 (in which case, only such shares sold shall cease to be a Registrable Security); (B) becoming eligible for sale without the requirement for the issuer of such shares to be in

compliance with the current public information required under Rule 144 and without volume or manner of sale restrictions by Holders who are not Affiliates of such issuer; (C) such shares shall have ceased to be outstanding; (D) a transfer to a transferee in which the transferee does not beneficially own Registrable Securities representing at least 5% of the then outstanding Registrable Securities (on an as-converted basis) following such transfer, or (E) such shares have been acquired by such issuer.

"*Registration Statements*" means any one or more registration statements of the Company filed under the Securities Act that covers the resale of any of the Registrable Securities pursuant to the provisions of this Agreement (including without limitation the Initial Registration Statement, the New Registration Statement and any Remainder Registration Statements), amendments and supplements to such Registration Statements, including post-effective amendments, all exhibits and all material incorporated by reference or deemed to be incorporated by reference in such Registration Statements.

"*Remainder Registration Statement*" shall have the meaning set forth in Section 2(a).

"*Required Period*" shall have the meaning set forth in Section 3(c).

"*Rule 144*" means Rule 144 promulgated by the Commission pursuant to the Securities Act, as such Rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the Commission having substantially the same effect as such Rule.

"*Rule 158*" means Rule 158 promulgated by the Commission pursuant to the Securities Act, as such Rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the Commission having substantially the same effect as such Rule.

"*Rule 172*" means Rule 172 promulgated by the Commission pursuant to the Securities Act, as such Rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the Commission having substantially the same effect as such Rule.

"*Rule 405*" means Rule 405 promulgated by the Commission pursuant to the Securities Act, as such Rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the Commission having substantially the same effect as such Rule.

"*Rule 415*" means Rule 415 promulgated by the Commission pursuant to the Securities Act, as such Rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the Commission having substantially the same effect as such Rule.

"*Rule 424*" means Rule 424 promulgated by the Commission pursuant to the Securities Act, as such Rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the Commission having substantially the same effect as such Rule.

"SEC Guidance" means (i) any publicly-available written or oral guidance, comments, requirements or requests of the Commission staff and (ii) the Securities Act.

"*Securities Act*" means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

"*Selling Stockholder Questionnaire*" means a questionnaire in the form attached as Annex A hereto, or such other form of questionnaire as may reasonably be adopted by the Company from time to time.

"*Series A Preferred Stock*" shall have the meaning set forth in the Recitals.

"*Shares*" means the shares of Series A Preferred Stock issued to the Holders pursuant to the Merger Agreement or the shares of Common Stock issued or issuable upon conversion thereof, as the context requires.

"*Trading Day*" means a day during which trading in the Common Stock generally occurs.

"*Trading Market*" means whichever of the New York Stock Exchange, the NYSE Amex, the NASDAQ Global Select Market, the NASDAQ Global Market, the NASDAQ Capital Market or OTC Bulletin Board on which the Common Stock is listed or quoted for trading on the date in question.

"*Underwritten Registration*" or "*Underwritten Offering*" means a registration in which Common Stock is sold to an underwriter for reoffering to the public.

"*WKSI*" means a "well-known seasoned issuer" as defined under Rule 405.

2. Initial Registration.

(a) On or prior to the ninetieth (90th) day following the Closing Date, the Company shall prepare and file with the Commission a Registration Statement covering the resale of all of the Registrable Securities not already covered by an existing and effective Registration Statement for an offering to be made on a continuous basis pursuant to Rule 415 or, if Rule 415 is not available for offers and sales of the Registrable Securities, by such other means of distribution of Registrable Securities as the Company may reasonably determine (the "*Initial Registration Statement*"). The Initial Registration Statement shall be on Form S-3 (except if the Company is then ineligible to register for resale of the Registrable Securities on Form S-3, in which case such registration shall be on such other form available to register for resale of the Registrable Securities as a secondary offering), and, if the Company is a WKSI at the time of filing, shall be an Automatic Shelf Registration Statement, subject to the provisions of Section 2(e).

Notwithstanding the registration obligations set forth in this Section 2, in the event the Commission informs the Company that all of the Registrable Securities cannot, as a result of the application of Rule 415, be registered for resale as a secondary offering on a single registration statement, the Company agrees to, as promptly as practicable, (i) inform each of the Holders thereof and use its commercially reasonable efforts to file amendments to the Initial Registration Statement as required by the Commission and/or (ii) withdraw the Initial Registration Statement

and file a new registration statement (a "*New Registration Statement*"), in either case covering the maximum number of Registrable Securities permitted to be registered by the Commission, on Form S-3 or such other form available to register for resale the Registrable Securities as a secondary offering; *provided, however*, that prior to filing such amendment or New Registration Statement, the Company and the Holders shall use good faith efforts to advocate with the Commission for the registration of all of the Registrable Securities in accordance with the SEC Guidance, including without limitation, the Manual of Publicly Available Telephone Interpretations D.29.

Notwithstanding any other provision of this Agreement, if any SEC Guidance sets forth a limitation of the number of Registrable Securities or other shares of Common Stock permitted to be registered on a particular Registration Statement as a secondary offering (and notwithstanding that the Company and the Holders used good faith efforts to advocate with the Commission for the registration of all or a greater number of Registrable Securities), the number of Registrable Securities or other shares of Common Stock to be registered on such Registration Statement will be reduced as follows: ***first***, the Company shall reduce or eliminate the securities of the Company to be included by any Person other than a Holder; ***second***, the Company shall reduce or eliminate any securities of the Company to be included by any Affiliate of the Company; and ***third***, the Company shall reduce the number of Registrable Securities to be included by all other Holders on a pro rata basis based on the total number of unregistered Shares (calculated on an as-converted basis) held by such Holders, subject to a determination by the Commission that certain Holders must be reduced before other Holders based on the number of Shares held by such Holders. In the event the Company amends the Initial Registration Statement or files a New Registration Statement, as the case may be, under clauses (i) or (ii) above, and all Registrable Securities are not included in the Initial Registration Statement and/or the New Registration Statement, the Company will use its commercially reasonable efforts to file with the Commission, as promptly as allowed by Commission or SEC Guidance provided to the Company or to registrants of securities in general, one additional registration statement on Form S-3 or such other form available to register for resale those Registrable Securities that were not registered for resale on the Initial Registration Statement, as amended, or the New Registration Statement (the "*Remainder Registration Statement*"). Notwithstanding anything to the contrary herein, under no circumstance shall the Company be obligated to file more than one Initial Registration Statement, one New Registration Statement (and only if such New Registration Statement is required), and one Remainder Registration Statement (and only if such Remainder Registration Statement is required). No Holder shall be named as an "underwriter" in any Registration Statement without such Holder's prior written consent.

(b) The Company shall use its commercially reasonable efforts to cause each Registration Statement to be declared effective by the Commission as soon as reasonably practicable and, with respect to the Initial Registration Statement or the New Registration Statement, as applicable, no later than the Effectiveness Deadline, and shall use its commercially reasonable efforts to keep each Registration Statement continuously effective under the Securities Act until the earlier of (i) such time as all of the Registrable Securities covered by such Registration Statement have been publicly sold by the Holders or (ii) the date that all Registrable Securities covered by such Registration Statement may be sold by non-affiliates without volume or manner

of sale restrictions under Rule 144, without the requirement for the Company to be in compliance with the current public information requirements under Rule 144 (the "*Effectiveness Period*"). The Company shall request effectiveness of a Registration Statement as of 5:00 p.m. New York City time on a Trading Day. The Company shall as promptly as reasonably practicable notify the Holders via facsimile or electronic mail of a ".pdf" format data file of the effectiveness of a Registration Statement. The Company shall, by 9:30 a.m. New York City time on the first Trading Day after the Effective Date, file a final Prospectus with the Commission, as required by Rule 424(b).

(c) Each Holder agrees to furnish to the Company a completed Selling Stockholder Questionnaire not more than five (5) Trading Days following the date of this Agreement. At least five (5) Trading Days prior to the first anticipated filing date of a Registration Statement for any registration under this Agreement, the Company will notify each Holder of the information the Company requires from that Holder other than the information contained in the Selling Stockholder Questionnaire, if any, which shall be completed and delivered to the Company promptly upon request and, in any event, within five (5) Trading Days prior to the applicable anticipated filing date. Each Holder further agrees that it shall not be entitled to be named as a selling securityholder in the Registration Statement or use the Prospectus for offers and resales of Registrable Securities at any time, unless such Holder has returned to the Company a completed and signed Selling Stockholder Questionnaire and a response to any requests for further information as described in the previous sentence. If a Holder of Registrable Securities returns a Selling Stockholder Questionnaire or a request for further information, in either case, after its respective deadline, the Company shall be permitted to exclude such Holder from being a selling security holder in the Registration Statement or any pre-effective or post-effective amendment thereto. Each Holder acknowledges and agrees that the information in the Selling Stockholder Questionnaire or request for further information as described in this Section 2(c) will be used by the Company in the preparation of the Registration Statement and hereby consents to the inclusion of such information in the Registration Statement.

(d) Notwithstanding anything to the contrary herein, (x) the Company shall be entitled to postpone the filing or effectiveness of, or suspend the use of, a Registration Statement if in the Company's good faith belief such registration, offering or use would reasonably be expected to materially affect in an adverse manner or materially interfere with any bona fide material financing of the Company or any material transaction under consideration by the Company or would require the disclosure of information that has not been, and is not otherwise required to be, disclosed to the public and the premature disclosure of which would materially affect the Company in an adverse manner and (y) at any time after the Registration Statement has been declared effective by the Commission, the Company may delay the disclosure of material non-public information concerning the Company if the disclosure of such information at the time is not, in the good faith judgment of the Company, in the best interests of the Company (a postponement or suspension as described in clause (x) and/or a delay described in clause (y), a "*Grace Period*"); *provided*, *however*, the Company shall promptly (i) notify the Holders in writing of the existence of the event or material non-public information giving rise to a Grace Period (provided that the Company shall not disclose the content of such material non-public information to the Holders) or the need to file a post-effective amendment, as applicable, and the

date on which such Grace Period will begin, (ii) use commercially reasonable efforts to terminate a Grace Period as promptly as practicable and (iii) notify the Holders in writing of the date on which the Grace Period ends; *provided, further*, that no single Grace Period shall exceed forty-five (45) consecutive days, and during any three hundred sixty-five (365) day period, the aggregate of all Grace Periods shall not exceed an aggregate of ninety (90) days (each Grace Period complying with this provision being an "*Allowable Grace Period*"). For purposes of determining the length of a Grace Period, the Grace Period shall be deemed to begin on and include the date the Holders receive the notice referred to in clause (i) above and shall end on and include the later of the date the Holders receive the notice referred to in clause (iii) above and the date referred to in such notice; provided, however, that no Grace Period shall be longer than an Allowable Grace Period.

(e) In the event that Form S-3 is not available for the registration of the resale of Registrable Securities hereunder, the Company shall (i) register the resale of the Registrable Securities on another appropriate form and (ii) undertake to register the Registrable Securities on Form S-3 promptly after such form is available, *provided* that the Company shall maintain the effectiveness of the Registration Statement then in effect until such time as a Registration Statement on Form S-3 covering the Registrable Securities has been declared effective by the Commission.

3. Demand Registration

(a) At any time and from time to time on or following the date that is 180 days after the Closing Date, any Holder or group of Holders that beneficially owns at least 51% (calculated on an as converted basis) of all such Registrable Securities may request in writing that the Company effect the registration of all or part of such Holder's or Holders' Registrable Securities with the Commission under and in accordance with the provisions of the Securities Act (which written request will specify (i) the then-current name and address of such Holder or Holders, (ii) the aggregate number of shares of Registrable Securities requested to be registered, (iii) the total number of Registrable Securities then beneficially owned by such Holder or Holders and (iv) the intended means of distribution). The Company will file a Registration Statement covering such Holder's or Holders' Registrable Securities requested to be registered as promptly as practicable (and, in any event, within 90 days) after receipt of such request; *provided*, however, that the Company will not be required to take any action pursuant to this Section 3:

(A) if prior to the date of such request, the Company has effected one registration pursuant to this Section 3;

(B) if the Registrable Securities are not already covered by an existing and effective Registration Statement or if a Registration Statement is effective at the time such request is made and such Registration Statement may be utilized for the offering and sale of the Registrable Securities requested to be registered;

(C) in the case of an Underwritten Offering, unless the Registrable Securities requested to be registered (1) have an aggregate then-current market value of $50 million or more or aggregate liquidation preference of $50 million or more (before deducting underwriting discounts and commission) or (2) constitute all of the then-outstanding Registrable Securities held by the Holders; or

(D) during the pendency of any Grace Period.

If a Holder or Holders request that the Company effect a registration pursuant to this Section 3(a) and the Company is at such time eligible to use Form S-3, the Holder or Holders making such request may specify that the requested registration be a "shelf registration" for an offering on a delayed or continuous basis pursuant to Rule 415 under the Securities Act.

(b) The Company may satisfy its obligations under Section 3(a) hereof by amending (to the extent permitted by applicable law) any registration statement previously filed by the Company under the Securities Act so that such amended registration statement will permit the disposition (in accordance with the intended methods of disposition specified as aforesaid) of all of the Registrable Securities for which a demand for registration has been properly made under Section 3(a) hereof. If the Company so amends a previously filed registration statement, it will be deemed to have effected a registration for purposes of Section 3(a) hereof; *provided* that the date such registration statement is amended pursuant to this Section 3(b) shall be the "the first day of effectiveness" of such registration statement for purposes of determining the Required Period with respect to such registration statement.

A registration requested pursuant to Section 3(a) hereof will not be deemed to be effected by the Company for purposes of Section 3(a) hereof if it has not been declared effective by the Commission or become effective in accordance with the Securities Act and kept effective as contemplated by Section 3(c) hereof.

(c) The Company will use its reasonable efforts to keep a Registration Statement that has become effective as contemplated by this Section 3 continuously effective, and not subject to any stop order, injunction or other similar order or requirement of the SEC, until the earlier of (i) the expiration of the Required Period and (ii) the date on which all Registrable Securities covered by such Registration Statement (x) have been disposed of pursuant to such Registration Statement or (y) cease to be Registrable Securities; *provided*, however, that in no event will such period expire prior to the expiration of the applicable period referred to in Section 4(3) of the Securities Act and Rule 174 promulgated thereunder. For purposes of this Section 3, "*Required Period*" shall mean, with respect to a "shelf registration," two years following the first day of effectiveness, and with respect to any other Registration Statement, 90 days following the first day of effectiveness of such Registration Statement. In the event of any stop order, injunction or other similar order or requirement of the Commission relating to any Registration Statement, the Required Period for such Registration Statement will be extended by the number of days during which such stop order, injunction or similar order or requirement is in effect.

(d) In the event that a registration requested pursuant to Section 3(a) hereof is to be an Underwritten Registration, as reasonably requested by Holders of a majority of Registrable Securities requested to be so registered, the Company shall in its reasonable discretion and with the consent of such Holders of a majority of Registrable Securities requested to be so registered

(which consent shall not be unreasonably withheld) select an investment banking firm of national standing to be the managing underwriter for the Underwritten Offering relating thereto. All Holders proposing to distribute their securities through an Underwritten Offering agree to enter into an underwriting agreement with the underwriters, provided that the underwriting agreement is in customary form and reasonably acceptable to the Holders of a majority of the Registrable Securities to be included in the Underwritten Offering. If so requested (pursuant to a timely notice) by the managing underwriter for the Underwritten Offering relating thereto, the Company will agree not to effect any underwritten public sale or distribution of any securities that are the same as, or similar to, the Registrable Securities to be included in the Underwritten Offering, or any securities convertible into, or exchangeable or exercisable for, any securities of the Company that are the same as, or similar to, the Registrable Securities to be included in the Underwritten Offering, during a period specified by the managing underwriter not to exceed 30 days.

(e) No securities to be sold for the account of any holder of securities of the Company shall be included in a registration pursuant to Section 3(a) hereof if, in the case that such registration is to be an Underwritten Registration, the managing underwriter of the Underwritten Offering relating thereto advises the Holders (or, in the case that such registration is not to be an Underwritten Registration, the Holders requesting registration reasonably determine in good faith) that the total amount of Registrable Securities requested to be registered, together with such other securities that the Company and any Other Holders propose to include in such offering is such as to adversely affect the success of such offering. In such case, the Company shall include in such registration, prior to the inclusion of any securities of any Person (including the Company) other than the Holder(s) making such request, the number of Registrable Securities (up to the full amount) that, in the view of such managing underwriter or such Holders requesting registration, as the case may be, can be sold without adversely affecting the success of such offering, pro rata among the respective Holders thereof on the basis of the number of Registrable Securities owned by each such Holder.

(f) Holders of at least a majority of the Registrable Securities to be included in a Registration Statement pursuant to Section 3(a) hereof may, at any time prior to the effective date of the Registration Statement relating to such registration, revoke their request to have Registrable Securities included therein by providing a written notice to the Company. In the event such Holders of Registrable Securities revoke such request, either (a) the Holders of Registrable Securities who revoke such request shall reimburse the Company for all of its out-of-pocket expenses incurred in the preparation, filing and processing of the Registration Statement or (b) the requested registration that has been revoked will be deemed to have been effected for purposes of Section 3(a) hereof.

4. Piggyback Registration

(a) If at any time, and from time to time, when Registrable Securities are not already covered by an existing and effective Registration Statement (or during an Allowable Grace Period), the Company proposes to file a registration statement under the Securities Act with respect to an Underwritten Offering of any class of equity securities of the Company or any securities convertible or exercisable into shares of any equity securities of the Company (other

than with respect to registration statement (a) on Form S-8 or any successor form thereto, (b) on Form S-4 or any successor form thereto, or (c) another form not available for registering the Registrable Securities for sale to the public, whether or not for its own account, then the Company will give written notice (the "*Piggyback Notice*") of such proposed filing to the Holders at least 10 Business Days before the anticipated filing date. Such notice will include the number and class of securities proposed to be registered, the proposed date of filing of such registration statement, any proposed means of distribution of such securities, any proposed managing underwriter of such securities and a good faith estimate by the Company of the proposed maximum offering price of such securities as such price is proposed to appear on the facing page of such registration statement, and will offer the Holders the opportunity to register such amount of Registrable Securities as each Holder may request on the same terms and conditions as the registration of the Company's and/or the holders of other securities of the Company ("*Other Holders*") securities, as the case may be (a "*Piggyback Registration*"). The Company will include in each Piggyback Registration all Registrable Securities for which the Company has received written requests for inclusion within five Business Days after delivery of the Piggyback Notice, subject to this Section 3.

(b) The Company will cause the managing underwriter of the proposed offering to permit the Holders that have requested Registrable Securities to be included in the Piggyback Registration to include all such Registrable Securities on the same terms and conditions as any similar securities, if any, of the Company. Notwithstanding the foregoing, if the managing underwriter of such Underwritten Offering advises the Company and the selling Holders that, in its view, the total amount of securities that the Company, such Holders and any Other Holders propose to include in such offering is such as to adversely affect the success of such Underwritten Offering, then:

(i) if such Piggyback Registration is a primary registration by the Company for its own account, the Company will include in such Piggyback Registration: (A) *first*, all securities to be offered by the Company; (B) *second*, up to the full amount of securities requested to be included in such Piggyback Registration by the Holders and any Other Holders of Parity Securities having registration rights, allocated pro rata among such Holders and Other Holders of Parity Securities, on the basis of the amount of securities requested to be included therein by each such Holder and Other Holder of Parity Securities; (C) *third*, up to the full amount of securities requested to be included in such Piggyback Registration by any Other Holders having registration rights, allocated pro rata among such Other Holders, on the basis of the amount of securities requested to be included therein by each such Other Holder, so that the total amount of securities to be included in such Underwritten Offering is the full amount that, in the view of such managing underwriter, can be sold without adversely affecting the success of such Underwritten Offering; and

(ii) if such Piggyback Registration is an underwritten secondary registration for the account of holders of securities of the Company, the Company will include in such registration: (A) *first*, all securities of the Persons exercising "demand" registration rights requested to be included therein; (B) *second*, up to the full amount of securities proposed

to be included in the registration by the Company; (C) *third*, up to the full amount of securities requested to be included in such Piggyback Registration by the Holders and any Other Holders of Parity Securities, allocated pro rata among such Holders and Other Holders of Parity Securities, on the basis of the amount of securities requested to be included therein by each such Holder and Other Holder of Parity Securities; and (D) *fourth*, up to the full amount of securities requested to be included in such Piggyback Registration by the Other Holders in accordance with the priorities, if any, then existing among the Company and the Other Holders so that the total amount of securities to be included in such Underwritten Offering is the full amount that, in the view of such managing underwriter, can be sold without adversely affecting the success of such Underwritten Offering.

(c) If so requested by the managing underwriter in any Underwritten Offering, the Holders participating in such Underwritten Offering will agree not to effect any public sale or distribution (or any other type of sale as the managing underwriter determines is appropriate in order to not adversely affect the Underwritten Offering) of any such Registrable Securities, including a sale pursuant to Rule 144 (but excluding any Registrable Securities included in such Underwritten Offering), during the 10 days prior to, and during a period specified by the managing underwriter not to exceed 90 days following, the closing date of such Underwritten Offering. In the event of such a request, the Company may impose, during such period, appropriate stop-transfer instructions with respect to the Registrable Securities subject to such restrictions.

(d) If so requested by the managing underwriter in any Underwritten Offering, the Company will agree subject to customary exceptions not to effect any public sale or distribution (or any other type of sale as the managing underwriter determines is appropriate in order to not adversely affect the Underwritten Offering) of any Common Stock, Common Stock equivalents or other equity securities or of any security convertible into or exchangeable or exercisable for any Common Stock, Common Stock equivalents or other equity securities of the Company (excluding any Common Stock included in such Underwritten Offering or in connection with an employee stock option or other benefit plan) during the 10 days prior to, and during a period specified by the managing underwriter not to exceed 90 days following, the closing date of such Underwritten Offering.

(e) If at any time after giving the Piggyback Notice and prior to the effective date of the Registration Statement filed in connection with the Piggyback Registration, the Company determines for any reason not to register or to delay the Piggyback Registration, and at the same time determines for any reason not to register or to delay the registration of the Common Stock originally proposed to be registered, the Company may, at its election, give notice of its determination to all Holders, and in the case of a determination not to register, will be relieved of its obligation to register any Registrable Securities in connection with the abandoned Piggyback Registration, without prejudice.

(f) Any Holder of Registrable Securities requesting to be included in a Piggyback Registration may withdraw its request for inclusion by giving written notice, at least three (3) Business Days prior to the anticipated effective date of the Registration Statement filed in connection with such Piggyback Registration, to the Company of its intention to withdraw from that registration, provided, however, that (i) the Holder's request be made in writing and (ii) the withdrawal will be irrevocable and, after making the withdrawal, a Holder will no longer have any right to include its Registrable Securities in that Piggyback Registration.

(g) An election by the Company to withdraw a Piggyback Registration under this Section 4 shall not be deemed to be a breach of the Company's obligations with respect to such Piggyback Registration and the Company shall have no liability to the Holders with respect thereto.

5. Registration Procedures. In connection with the Company's registration obligations hereunder:

(a) not less than five (5) Trading Days prior to the filing of a Registration Statement and not less than two (2) Trading Days prior to the filing of any related Prospectus or any amendment or supplement thereto (except for Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K and any similar or successor reports), the Company shall furnish to the Holders copies of such Registration Statement, Prospectus or amendment or supplement thereto, as proposed to be filed, which documents will be subject to the review of such Holders (it being acknowledged and agreed that if a Holder does not object to or comment on the aforementioned documents within such five (5) Trading Day or two (2) Trading Day period, as the case may be, then the Holder shall be deemed to have consented to and approved the use of such documents). The Company shall not file any Registration Statement or amendment or supplement thereto in a form to which a Holder reasonably objects in good faith, *provided* that, the Company is notified of such objection in writing within the five (5) Trading Day or two (2) Trading Day period described above, as applicable.

(b) (i) the Company shall notify each Holder of Registrable Securities of the effectiveness of each Registration Statement and prepare and file with the Commission such amendments (including post-effective amendments) and supplements, to each Registration Statement and the Prospectus used in connection therewith as may be necessary to keep such Registration Statement continuously effective as to the applicable Registrable Securities for its Effectiveness Period (except during an Allowable Grace Period); (ii) the Company shall cause the related Prospectus to be amended or supplemented by any required Prospectus supplement (subject to the terms of this Agreement), and, as so supplemented or amended, to be filed pursuant to Rule 424 (except during an Allowable Grace Period); (iii) the Company shall respond as promptly as reasonably practicable to any comments received from the Commission with respect to each Registration Statement or any amendment thereto and, as promptly as reasonably possible, provide the Holders true and complete copies of all correspondence from and to the Commission relating to such Registration Statement that pertains to the Holders as "Selling Stockholders" but not any comments that would result in the disclosure to the Holders of material and non-public information concerning the Company; and (iv) the Company shall use its commercially reasonable efforts to comply with the provisions of the Securities Act and the Exchange Act with respect to the disposition of all Registrable Securities covered by a Registration Statement until

such time as all of such Registrable Securities shall have been disposed of (subject to the terms of this Agreement) in accordance with the intended methods of disposition by the Holders thereof as set forth in such Registration Statement as so amended or in such Prospectus as so supplemented; *provided*, *however*, that each Holder shall be responsible for the delivery of the Prospectus to the Persons to whom such Holder sells any of the Shares (including in accordance with Rule 172 under the Securities Act), and each Holder agrees to dispose of Registrable Securities in compliance with the plan of distribution described in the Registration Statement and otherwise in compliance with applicable federal and state securities laws. In the case of amendments and supplements to a Registration Statement which are required to be filed pursuant to this Agreement (including pursuant to this Section 5(b)) by reason of the Company filing a report on Form 10-K, Form 10-Q or Form 8-K or any analogous report under the Exchange Act, the Company shall have incorporated such report by reference into such Registration Statement, if applicable, or shall file such amendments or supplements with the Commission on the same day on which the Exchange Act report which created the requirement for the Company to amend or supplement such Registration Statement was filed.

(c) the Company shall notify the Holders (which notice shall, pursuant to clauses (iii) through (v) hereof, be accompanied by an instruction to suspend the use of the Prospectus until the requisite changes have been made) as promptly as reasonably practicable (i)(A) when a Prospectus or any Prospectus supplement or post-effective amendment to a Registration Statement is proposed to be filed; (B) when the Commission notifies the Company whether there will be a "review" of such Registration Statement and whenever the Commission comments in writing on any Registration Statement (in which case the Company shall provide to each of the Holders true and complete copies of all comments that pertain to the Holders as a "Selling Stockholder" or to the "Plan of Distribution" and all written responses thereto, but not information that the Company believes would constitute material and non-public information); and (C) with respect to each Registration Statement or any post-effective amendment, when the same has become effective; (ii) of any request by the Commission or any other Federal or state governmental authority for amendments or supplements to a Registration Statement or Prospectus or for additional information that pertains to the Holders as "Selling Stockholders" or the "Plan of Distribution"; (iii) of the issuance by the Commission or any other federal or state governmental authority of any stop order suspending the effectiveness of a Registration Statement covering any or all of the Registrable Securities or the initiation of any Proceedings for that purpose; (iv) of the receipt by the Company of any notification with respect to the suspension of the qualification or exemption from qualification of any of the Registrable Securities for sale in any jurisdiction, or the initiation or threatening of any Proceeding for such purpose; and (v) of the occurrence (but not the nature of or details concerning) of any event or passage of time that makes the financial statements included in a Registration Statement ineligible for inclusion therein or any statement made in such Registration Statement or Prospectus or any document incorporated or deemed to be incorporated therein by reference untrue in any material respect or that requires any revisions to such Registration Statement, Prospectus or other documents so that, in the case of such Registration Statement or the Prospectus, as the case may be, it will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein (in the case of any Prospectus, form of prospectus or supplement thereto, in light of the

circumstances under which they were made), not misleading (*provided*, *however*, that no notice by the Company shall be required pursuant to this clause (v) in the event that the Company either promptly files a Prospectus supplement to update the Prospectus or a Form 8-K or other appropriate Exchange Act report that is incorporated by reference into the Registration Statement, which, in either case, contains the requisite information that results in such Registration Statement no longer containing any untrue statement of material fact or omitting to state a material fact necessary to make the statements therein not misleading).

(d) the Company shall use commercially reasonable efforts to avoid the issuance of, or, if issued, obtain the withdrawal of (i) any order suspending the effectiveness of a Registration Statement, or (ii) any suspension of the qualification (or exemption from qualification) of any of the Registrable Securities for sale in any jurisdiction, as soon as practicable.

(e) the Company shall, if requested by a Holder, furnish to such Holder, without charge, at least one conformed copy of each Registration Statement and each amendment thereto and all exhibits to the extent requested by such Person (including those previously furnished or incorporated by reference) promptly after the filing of such documents with the Commission; *provided*, that the Company shall have no obligation to provide any document pursuant to this clause that is available on the Commission's EDGAR system.

(f) the Company shall, prior to any resale of Registrable Securities by a Holder, use its commercially reasonable efforts to register or qualify or cooperate with the selling Holders in connection with the registration or qualification (or exemption from the registration or qualification) of such Registrable Securities for the resale by the Holder under the securities or Blue Sky laws of such jurisdictions within the United States only as and to the extent necessary, to keep each registration or qualification (or exemption therefrom) effective during the Effectiveness Period and to do any and all other acts or things reasonably necessary to enable the disposition in such jurisdictions of the Registrable Securities covered by each Registration Statement; *provided*, that the Company shall not be required to qualify generally to do business in any jurisdiction where it is not then so qualified, subject the Company to any material tax in any such jurisdiction where it is not then so subject or file a general consent to service of process in any such jurisdiction.

(g) the Company shall, cooperate with the Holders to facilitate the timely preparation and delivery of certificates representing Registrable Securities to be delivered to a transferee pursuant to the Registration Statement, which certificates shall be free, to the extent permitted by the Merger Agreement and under law, of all restrictive legends, and to enable such Registrable Securities to be in such denominations and registered in such names as any such Holders may reasonably request. Certificates for Shares free from all restrictive legends may be transmitted by the transfer agent to a Holder by crediting the account of such Holder's prime broker with DTC as directed by such Holder.

(h) the Company shall following the occurrence of any event contemplated by Section 5(c)(ii)-(v), as promptly as reasonably practicable (taking into account the Company's good faith assessment of any adverse consequences to the Company and its stockholders of the premature disclosure of such event), prepare and file a supplement or amendment, including a post-effective amendment, to the affected Registration Statements or a supplement to the related Prospectus or any document incorporated or deemed to be incorporated therein by reference, and file any other required document so that, as thereafter delivered, no Registration Statement nor any Prospectus will contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein (in the case of any Prospectus, form of prospectus or supplement thereto, in light of the circumstances under which they were made), not misleading.

(i) the Company may require each selling Holder to furnish to the Company a certified statement as to (i) the number of shares of Common Stock beneficially owned by such Holder and any Affiliate thereof, (ii) any Financial Industry Regulatory Authority ("*FINRA*") affiliations, (iii) any natural persons who have the power to vote or dispose of the Common Stock and (iv) any other information as may be requested by the Commission, FINRA or any state securities commission.

(j) the Company shall cooperate with any registered broker through which a Holder proposes to resell its Registrable Securities in effecting a filing with FINRA pursuant to FINRA Rule 5110 as requested by any such Holder and the Company shall pay the filing fee required for the first such filing within two (2) Business Days of the request therefore.

(k) during the Effectiveness Period, the Company shall use its commercially reasonable efforts to (i) maintain eligibility for use of Form S-3 (or any successor form thereto) for the registration of the resale of Registrable Securities and (ii) to remain a WKSI (and not become an ineligible issuer (as defined in Rule 405 under the Securities Act)).

(l) as and to the extent necessary, the Company shall (i) promptly incorporate in a Prospectus supplement or post-effective amendment to the Registration Statement such information as the Company reasonably agrees should be included therein and (ii) make all required filings of such Prospectus supplement or such post-effective amendment as soon as reasonably practicable after the Company has received notification of the matters to be incorporated in such Prospectus supplement or post-effective amendment.

(m) if the offering pursuant to a Registration Statement is to be underwritten, then the underwriters (including the managing underwriter) shall be selected by the Company; provided, that in the event of an offering pursuant to a Registration Statement effected pursuant to Section 3 hereof, the underwriters (including the managing underwriter) shall be selected by a majority of the Holders of Registrable Securities and be reasonably acceptable to the Company.

(n) the Company and the Holders shall otherwise use commercially reasonable efforts to comply with all applicable rules and regulations of the Commission under the Securities Act and the Exchange Act, including Rule 172, and the Company shall notify the Holders promptly if the Company no longer satisfies the conditions of Rule 172 and take such other actions as may be reasonably necessary to facilitate the registration of the Registrable Securities hereunder; and make available to its security holders, as soon as reasonably practicable, but not later than the

Availability Date (as defined below), an earnings statement covering a period of at least twelve (12) months, beginning after the effective date of each Registration Statement, which earning statement shall satisfy the provisions of Section 11(a) of the Securities Act, including Rule 158 promulgated thereunder (for the purpose of this Section 5, "*Availability Date*" means the 45th day following the end of the fourth fiscal quarter that includes the effective date of such Registration Statement, except that, if such fourth fiscal quarter is the last quarter of the Company's fiscal year, "*Availability Date*" means the 90th day after the end of such fourth fiscal quarter).

(o) the Company shall use its commercially reasonable efforts to (i) cause all such Registrable Securities that are Common Stock to be listed on a national securities exchange, including by filing any supplemental listing documentation required by such national securities exchange, and (ii) to cause all Series A Preferred Stock to be listed on one of the New York Stock Exchange, the NYSE Amex, the NASDAQ Global Select Market, the NASDAQ Global Market, the NASDAQ Capital Market or OTC Bulletin Board, to the extent that such listing is permitted by any such exchange.

(q) the Company shall provide and cause to be maintained a transfer agent and registrar for all such Registrable Securities no later than the effective date of the applicable Registration Statement.

(r) the Company shall enter into and perform under such customary agreements (including underwriting agreements in customary form, including customary representations and warranties and provisions with respect to indemnification and contribution) and take such other actions as may be reasonably requested by the selling Holders or the managing underwriter, if any, to complete the offer for sale or disposition of the Registrable Securities.

(s) the Company shall (i) use its commercially reasonable efforts to obtain customary "comfort" letters from such accountants (to the extent deliverable in accordance with their professional standards) addressed to such selling Holder (to the extent consistent with Statement on Auditing Standards No. 72 of the American Institute of Certified Public Accountants) and the managing underwriter, if any, in customary form and covering matters of the type customarily covered in "comfort" letters in connection with underwritten offerings; (ii) use its commercially reasonable efforts to obtain opinions of counsel to the Company (such counsel being reasonably satisfactory to the managing underwriter, if any) and updates thereof covering matters customarily covered in opinions of counsel in connection with underwritten offerings, addressed to each selling Holder and the managing underwriter, if any, provided, that the delivery of any "10b-5 statement" may be conditioned on the prior or concurrent delivery of a "comfort" letter pursuant to subsection (A) above; and (iii) provide officers' certificates and other customary closing documents customarily delivered in connection with underwritten offerings and reasonably requested by the managing underwriter, if any; provided, that the Company shall only be required to comply with this clause (s) in connection with an Underwritten Offering or Piggyback Registration.

(t) the Company shall provide reasonable cooperation, including causing appropriate officers to attend and participate in "road shows" and other informational meetings organized by the underwriters, if any, (provided that such cooperation does not unreasonably interfere with the operation of the business of the Company) with all out-of-pocket costs and expenses incurred by the Company or such officers in connection with such attendance to be paid by the Company.

(u) in the event of the issuance or threatened issuance of any stop order suspending the effectiveness of a Registration Statement, or of any order suspending or preventing the use of any related Prospectus or suspending the qualification of any Common Stock included in such Registration Statement for sale in any jurisdiction, the Company shall use its commercially reasonable efforts promptly to (i) prevent the issuance of any such stop order, and in the event of such issuance, to obtain the withdrawal of such order and (ii) obtain the withdrawal of any order suspending or preventing the use of any related Prospectus or suspending qualification of any Registrable Securities included in such Registration Statement for sale in any jurisdiction at the earliest practicable date.

(v) the Company shall, if requested by any participating Holder of Registrable Securities or the managing underwriters (if any), promptly include in a Prospectus supplement or amendment such information as the Holder or managing underwriters (if any) may reasonably request relating to the intended method of distribution of such securities, and make all required filings of such Prospectus supplement or such amendment as soon as reasonably practicable after the Company has received such request.

(w) the Company shall use its commercially reasonable efforts to take all other actions necessary or customarily taken by issuers to effect the registration of and its commercially reasonable efforts to take all other actions necessary to effect the sale of, the Registrable Securities contemplated hereby.

6. Registration Expenses. All fees and expenses incident to the Company's performance of or compliance with its obligations under this Agreement (excluding any underwriting discounts, fees or selling commissions or broker or similar commissions or fees of any Holder) shall be borne by the Company whether or not any Registrable Securities are sold pursuant to a Registration Statement. The fees and expenses referred to in the foregoing sentence shall include, without limitation, (i) all registration and filing fees (including, without limitation, fees and expenses (A) with respect to filings required to be made with any Trading Market on which the Common Stock is then listed for trading, (B) with respect to compliance with applicable state securities or Blue Sky laws (including, without limitation, fees and disbursements of counsel for the Company in connection with Blue Sky qualifications or exemptions of the Registrable Securities and determination of the eligibility of the Registrable Securities for investment under the laws of such jurisdictions as requested by the Holders) and (C) if not previously paid by the Company in connection with an Issuer Filing, with respect to any filing that may be required to be made by any broker through which a Holder intends to make sales of Registrable Securities with FINRA pursuant to the FINRA Rule 5110, so long as the broker is receiving no more than a customary brokerage commission in connection with such sale, (ii) printing expenses (including, without limitation, expenses of printing certificates for Registrable Securities and of printing

prospectuses if the printing of prospectuses is reasonably requested by the Holders of a majority of the Registrable Securities included in the Registration Statement), (iii) messenger, telephone and delivery expenses, (iv) fees and disbursements of counsel for the Company, (v) Securities Act liability insurance, if the Company so desires such insurance, and (vi) fees and expenses of all other Persons retained by the Company in connection with the consummation of the transactions contemplated by this Agreement. In addition, the Company will pay the reasonable fees and disbursements (not to exceed $50,000) of one counsel for all Holders collectively (which counsel will be selected by a majority of the Holders of the then outstanding Registrable Securities).

7. Indemnification.

(a) Indemnification by the Company. The Company shall, notwithstanding any termination of this Agreement, indemnify, defend and hold harmless each Holder, the officers, directors, agents, partners, members, managers, stockholders, Affiliates and employees of each of them, each Person who controls any such Holder (within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act) and the officers, directors, partners, members, managers, stockholders, agents and employees of each such controlling Person, to the fullest extent permitted by applicable law, from and against any and all losses, claims, damages, liabilities, costs (including, without limitation, reasonable costs of preparation and investigation and reasonable attorneys' fees) and expenses (collectively, "*Losses*"), as incurred, that arise out of or are based upon any untrue or alleged untrue statement of a material fact contained in any Registration Statement, any Prospectus or any form of prospectus or in any amendment or supplement thereto or in any preliminary prospectus, or arising out of or relating to any omission or alleged omission to state a material fact required to be stated therein or necessary to make the statements therein (in the case of any Prospectus or form of prospectus or supplement thereto, in light of the circumstances under which they were made) not misleading, except to the extent, but only to the extent, that (A) such untrue statements, alleged untrue statements, omissions or alleged omissions are based upon information regarding such Holder furnished in writing to the Company by such Holder expressly for use therein, or to the extent that such information relates to such Holder or such Holder's proposed method of distribution of Registrable Securities and was provided by such Holder expressly for use in the Registration Statement, such Prospectus or such form of Prospectus or in any amendment or supplement thereto, or (B) in the case of an occurrence of an event of the type specified in Section 5(c)(ii)-(v), related to the use by a Holder of an outdated or defective Prospectus after the Company has notified such Holder in writing that the Prospectus is outdated or defective and prior to the receipt by such Holder of the Advice contemplated and defined in Section 8(d) below, but only if and to the extent that following the receipt of the Advice the misstatement or omission giving rise to such Loss would have been corrected. The Company shall notify the Holders promptly of the institution, threat or assertion of any Proceeding arising from or in connection with the transactions contemplated by this Agreement of which the Company is aware. Such indemnity shall remain in full force and effect regardless of any investigation made by or on behalf of an Indemnified Party (as defined in Section 7(c)) and shall survive the transfer of the Registrable Securities by the Holders.

(b) Indemnification by Holders. Each Holder shall, severally and not jointly, indemnify and hold harmless the Company, its directors, officers, agents and employees, each Person who controls the Company (within the meaning of Section 15 of the Securities Act and Section 20 of the Exchange Act), and the directors, officers, agents or employees of such controlling Persons, to the fullest extent permitted by applicable law, from and against all Losses, as incurred, arising out of or are based upon any untrue or alleged untrue statement of a material fact contained in any Registration Statement, any Prospectus, or any form of prospectus, or in any amendment or supplement thereto or in any preliminary prospectus, or arising out of or relating to any omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein (in the case of any Prospectus, or any form of prospectus or supplement thereto, in light of the circumstances under which they were made) not misleading (i) to the extent, but only to the extent, that such untrue statements or omissions are based upon information regarding such Holder furnished in writing to the Company by such Holder expressly for use therein or (ii) to the extent, but only to the extent, that such information relates to such Holder or such Holder's proposed method of distribution of Registrable Securities and was provided by such Holder expressly for use in a Registration Statement, such Prospectus or such form of Prospectus or in any amendment or supplement thereto or (iii) in the case of an occurrence of an event of the type specified in Section 5(c)(ii)-(v), to the extent, but only to the extent, related to the use by such Holder of an outdated or defective Prospectus after the Company has notified such Holder in writing that the Prospectus is outdated or defective and prior to the receipt by such Holder of the Advice contemplated in Section 8(d), but only if and to the extent that following the receipt of the Advice the misstatement or omission giving rise to such Loss would have been corrected. In no event shall the liability of any selling Holder hereunder be greater in amount than the dollar amount of the net proceeds received by such Holder upon the sale of the Registrable Securities giving rise to such indemnification obligation.

(c) Conduct of Indemnification Proceedings. If any Proceeding shall be brought or asserted against any Person entitled to indemnity hereunder (an "*Indemnified Party*"), such Indemnified Party shall promptly notify the Person from whom indemnity is sought (the "*Indemnifying Party*") in writing, and the Indemnifying Party shall have the right to assume the defense thereof, including the employment of counsel reasonably satisfactory to the Indemnified Party and the payment of all reasonable fees and expenses incurred in connection with defense thereof; *provided*, that the failure of any Indemnified Party to give such notice shall not relieve the Indemnifying Party of its obligations or liabilities pursuant to this Agreement, except (and only) to the extent that such failure shall have materially and adversely prejudiced the Indemnifying Party.

An Indemnified Party shall have the right to employ separate counsel in any such Proceeding and to participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of such Indemnified Party or Parties unless: (1) the Indemnifying Party has agreed in writing to pay such fees and expenses; (2) the Indemnifying Party shall have failed promptly to assume the defense of such Proceeding and to employ counsel reasonably satisfactory to such Indemnified Party in any such Proceeding; or (3) the named parties to any such Proceeding (including any impleaded parties) include both such Indemnified Party and the Indemnifying Party, and such Indemnified Party shall have been advised by counsel that in the

reasonable judgment of such counsel a conflict of interest exists if the same counsel were to represent such Indemnified Party and the Indemnifying Party; *provided*, that the Indemnifying Party shall not be liable for the reasonable and documented fees and expenses of more than one separate firm of attorneys at any time for all Indemnified Parties. The Indemnifying Party shall not be liable for any settlement of any such Proceeding effected without its written consent, which consent shall not be unreasonably withheld, delayed or conditioned. No Indemnifying Party shall, without the prior written consent of the Indemnified Party, effect any settlement of any pending Proceeding in respect of which any Indemnified Party is a party, unless such settlement includes an unconditional release of such Indemnified Party from all liability on claims that are the subject matter of such Proceeding.

Subject to the terms of this Agreement, all reasonable and documented fees and expenses of the Indemnified Party (including reasonable and documented fees and expenses to the extent incurred in connection with investigating or preparing to defend such Proceeding in a manner not inconsistent with this Section 7(c)) shall be paid to the Indemnified Party, as incurred, with reasonable promptness after receipt of written notice thereof to the Indemnifying Party; *provided*, that the Indemnified Party shall promptly reimburse the Indemnifying Party for that portion of such fees and expenses applicable to such actions for which such Indemnified Party is finally judicially determined to not be entitled to indemnification hereunder). The failure to deliver written notice to the Indemnifying Party within a reasonable time of the commencement of any such action shall not relieve such Indemnifying Party of any liability to the Indemnified Party under this Section 7, except to the extent that the Indemnifying Party is materially and adversely prejudiced in its ability to defend such action.

(d) Contribution. If a claim for indemnification under Section 7(a) or 7(b) is unavailable to an Indemnified Party or insufficient to hold an Indemnified Party harmless for any Losses, then each Indemnifying Party, in lieu of indemnifying such Indemnified Party, shall contribute to the amount paid or payable by such Indemnified Party as a result of such Losses, in such proportion as is appropriate to reflect the relative fault of the Indemnifying Party and Indemnified Party in connection with the actions, statements or omissions that resulted in such Losses as well as any other relevant equitable considerations. The relative fault of such Indemnifying Party and Indemnified Party shall be determined by reference to, among other things, whether any action in question, including any untrue or alleged untrue statement of a material fact or omission or alleged omission of a material fact, has been taken or made by, or relates to information supplied by, such Indemnifying Party or Indemnified Party, and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such action, statement or omission.

The parties hereto agree that it would not be just and equitable if contribution pursuant to this Section 7(d) were determined by pro rata allocation or by any other method of allocation that does not take into account the equitable considerations referred to in the immediately preceding paragraph. Notwithstanding the provisions of this Section 7(d), no Holder shall be required to contribute, in the aggregate, any amount in excess of the amount by which the net proceeds actually received by such Holder from the sale of the Registrable Securities subject to the Proceeding exceeds the amount of any damages that such Holder has otherwise been required to

pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any Person who was not guilty of such fraudulent misrepresentation.

The indemnity and contribution agreements contained in this Section 7 are in addition to any liability that the Indemnifying Parties may have to the Indemnified Parties and are not in diminution or limitation of the indemnification provisions under the Merger Agreement.

8. Miscellaneous.

(a) Remedies. In the event of a breach by the Company or by a Holder of any of their obligations under this Agreement, each Holder or the Company, as the case may be, in addition to being entitled to exercise all rights granted by law and under this Agreement, including recovery of damages, will be entitled to specific performance of its rights under this Agreement. The Company and each Holder agree that monetary damages would not provide adequate compensation for any losses incurred by reason of a breach by it of any of the provisions of this Agreement and hereby further agrees that, in the event of any action for specific performance in respect of such breach, it shall waive the defense that a remedy at law would be adequate.

(b) No Piggyback on Holder Registrations; Prohibition on Filing Other Registration Statements. Neither the Company nor any of its security holders (other than the Holders in such capacity pursuant hereto) may include securities of the Company in a Registration Statement filed pursuant to Section 2 of this Agreement other than the Registrable Securities and the Company shall not prior to the Effective Date enter into any agreement providing any such right to any of its security holders. The Company shall not, from the Filing Date until the date that is 60 days after the Effective Date of the Initial Registration Statement, prepare and file with the Commission a registration statement relating to an offering for its own account under the Securities Act of any of its equity securities, other than (i) registration statements on Form S-8, (ii) in connection with an acquisition or an exchange offer, on Form S-4 or (iii) a registration statement to register for resale securities issued by the Company pursuant to acquisitions or strategic transactions approved by a majority of the directors of the Company. For the avoidance of doubt, the Company shall not be prohibited from preparing and filing with the Commission a registration statement relating to an offering of Common Stock by existing stockholders of the Company under the Securities Act pursuant to the terms of registration rights held by such stockholder or from filing amendments to registration statements filed prior to the date of this Agreement. If, prior to the filing of the Initial Registration Statement, the Company shall determine to prepare and file with the Commission a registration statement relating to an offering of Common Stock for the account of third party holders of Common Stock under the Securities Act on Form S-1 or Form S-3 (but, for the avoidance of doubt, excluding any registration statement filed in respect of a Spin-Off), then the Company shall deliver to each Holder a written notice of such determination and, if within fifteen (15) days after the date of the delivery of such notice, any such Holder shall so request in writing, the Company shall include in such registration statement all or any part of such Registrable Securities such Holder requests to be registered to the extent permitted by the Commission and the managing underwriters, if any, of the offering in respect of which such registration statement is to be filed.

(c) Compliance. Each Holder covenants and agrees that it will comply with the prospectus delivery requirements of the Securities Act as applicable to it (unless an exemption therefrom is available) in connection with sales of Registrable Securities pursuant to the Registration Statement and shall sell the Registrable Securities only in accordance with a method of distribution described in the Registration Statement

(d) Discontinued Disposition. By its acquisition of Registrable Securities, each Holder agrees that, upon receipt of a notice from the Company of the occurrence of a Grace Period or any event of the kind described in Section 5(c)(ii)-(v), such Holder will forthwith discontinue disposition of such Registrable Securities under a Registration Statement until it is advised in writing (the "*Advice*") by the Company that the use of the applicable Prospectus (as it may have been supplemented or amended) may be resumed. The Company may provide appropriate stop orders to enforce the provisions of this paragraph.

(e) No Inconsistent Agreements. Neither the Company nor any of its Subsidiaries has entered, as of the date hereof, nor shall the Company or any of its Subsidiaries, on or after the date hereof and prior to the time there are no longer any Registrable Securities, enter into any agreement granting to any Person any registration rights in the nature or substantially in the nature of those set forth in Article II hereof that would have priority over, or be pari passu with, the Registrable Securities with respect to the inclusion of such securities in any registration, without the prior written consent of a majority of the then outstanding Registrable Securities.

(f) Amendments and Waivers. The provisions of this Agreement, including the provisions of this sentence, may not be amended, modified or supplemented, or waived unless the same shall be in writing and signed by the Company and Holders holding at least a majority of the then outstanding Registrable Securities, provided that any party may give a waiver as to itself. Notwithstanding the foregoing, a waiver or consent to depart from the provisions hereof with respect to a matter that relates exclusively to the rights of Holders and that does not directly or indirectly affect the rights of other Holders may be given by Holders of all of the Registrable Securities to which such waiver or consent relates; provided, however, that the provisions of this sentence may not be amended, modified, or supplemented except in accordance with the provisions of the immediately preceding sentence. Notwithstanding the foregoing, if any such amendment, modification or waiver would adversely affect in any material respect any Holder or group of Holders who have comparable rights under this Agreement disproportionately to the other Holders having such comparable rights, such amendment, modification, or waiver shall also require the written consent of the Holder(s) so adversely and disproportionately affected.

(g) Notices. Any and all notices or other communications or deliveries required or permitted to be provided hereunder to the Company or the Holders initially a party hereto shall be delivered as set forth in the Merger Agreement.

(h) Successors and Assigns. This Agreement shall inure to the benefit of and be binding upon the successors and permitted assigns of each of the parties and shall inure to the benefit of each Holder. Nothing in this Agreement, express or implied, is intended to confer upon any party other than the parties hereto or their respective successors and assigns any rights, remedies, obligations, or liabilities under or by reason of this Agreement, except as expressly provided in this Agreement. The Company may not assign its rights (except by merger, consolidation or other business combination transaction or in connection with another entity acquiring all or substantially all of the Company's equity or assets) or obligations hereunder without the prior written consent of all the Holders of the then outstanding Registrable Securities. Each Holder may assign its respective rights hereunder in the manner and to the Persons as permitted under the Buyer Certificate of Designation in respect of the Series A Preferred Stock; provided, that (x) such transferee or assignee of rights hereunder will beneficially own Registrable Securities representing at least 5% of the then outstanding Registrable Securities (on an as-converted basis); and (y) any such assignment shall only be effective upon receipt by the Company of (I) written notice from the transferring Holder stating the name and address of any transferee and identifying the number of shares of Registrable Securities with respect to which the rights under this Agreement are being transferred and (II) a Joinder Agreement in the form attached hereto as Annex B is executed and delivered to the Company by such transferee and pursuant to which such transferee agrees to be bound by the terms of this Agreement.

(i) Execution and Counterparts. This Agreement may be executed in two or more counterparts, each of which when so executed shall be deemed to be an original and, all of which taken together shall constitute one and the same Agreement and shall become effective when counterparts have been signed by each party and delivered to the other party, it being understood that both parties need not sign the same counterpart. In the event that any signature is delivered by facsimile transmission or by e-mail delivery of a ".pdf" format data file, such signature shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if such facsimile or ".pdf" signature were the original thereof.

(j) Governing Law. All questions concerning the construction, validity, enforcement and interpretation of this Agreement shall be determined in accordance with the provisions of the Merger Agreement.

(k) Cumulative Remedies. The remedies provided herein are cumulative and not exclusive of any other remedies provided by law.

(l) Severability. If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction to be invalid, illegal, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions set forth herein shall remain in full force and effect and shall in no way be affected, impaired or invalidated, and the parties hereto shall use their good faith reasonable efforts to find and employ an alternative means to achieve the same or substantially the same result as that contemplated by such term, provision, covenant or restriction. It is hereby stipulated and declared to be the intention of the parties that they would have executed the remaining terms, provisions, covenants and restrictions without including any of such that may be hereafter declared invalid, illegal, void or unenforceable.

(m) Headings. The headings in this Agreement are for convenience only and shall not limit or otherwise affect the meaning hereof.

(n) Termination. Except for Section 7, which shall survive, the remaining provisions of this Agreement shall terminate at such time as there are no longer any Registrable Securities.

IN WITNESS WHEREOF, the parties have executed this Registration Rights Agreement as of the date first written above.

OCWEN FINANCIAL CORPORATION

By: /s/ John V. Britti
Name: John V. Britti
Title: Chief Financial Officer and Executive Vice President

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK,
SIGNATURE PAGES OF HOLDERS TO FOLLOW]

IN WITNESS WHEREOF, the parties have executed this Registration Rights Agreement as of the date first written above.

INITIAL HOLDERS

WLR RECOVERY FUND III, L.P.

By: WLR Recovery Associates III LLC, its General Partner
By WL Ross Group, L.P., its Managing Member
By: El Vedado LLC, its General Partner

By: /s/ Stephen J. Toy
Name: Stephen J. Toy
Title: Manager

WLR RECOVERY FUND IV, L.P.

By: WLR Recovery Associates IV LLC, its General Partner
By WL Ross Group, L.P., its Managing Member
By: El Vedado LLC, its General Partner

By: /s/ Stephen J. Toy
Name: Stephen J. Toy
Title: Manager

WLR/GS MASTER CO-INVESTMENT, L.P.

By: WLR Master Co-Investment GP, LLC, its General Partner
By WL Ross Group, L.P., its Managing Member
By: El Vedado LLC, its General Partner

By: /s/ Stephen J. Toy
Name: Stephen J. Toy
Title: Manager

WLR AHM CO-INVEST, L.P.

By: WLR Recovery Associates IV LLC, its General Partner
By WL Ross Group, L.P., its Managing Member
By: El Vedado LLC, its General Partner

By: /s/ Stephen J. Toy
Name: Stephen J. Toy
Title: Manager

WLR IV PARALLEL ESC, L.P.

By: Invesco WLR IV Associates LLC, its General Partner
By Invesco Private Capital, Inc., its Managing Member

By: /s/ Stephen J. Toy
Name: Stephen J. Toy
Title: Manager

FORM OF SELLING STOCKHOLDER QUESTIONNAIRE

The undersigned beneficial owner of capital stock of Ocwen Financial Corporation, a Florida corporation (the "Company"), understands that the Company has filed or intends to file with the Securities and Exchange Commission (the "SEC") one or more registration statements (collectively, the "Registration Statement") for the registration and resale under [Rule 415] of the Securities Act of 1933, as amended (the "Securities Act"), of the Registrable Securities, in accordance with the terms of the Registration Rights Agreement (the "Registration Rights Agreement"), dated as of [ ] (the "Effective Date"), by and among the Company and each of the other Persons signatory thereto. A copy of the Registration Rights Agreement is available from the Company upon request at the address set forth below. All capitalized terms not otherwise defined herein shall have the meaning ascribed thereto in the Registration Rights Agreement.

Certain legal consequences arise from being named as a selling securityholder in the Registration Statement and the related prospectus, as the case may be. Accordingly, holders and beneficial owners of Registrable Securities are advised to consult their own securities law counsel regarding the consequences of being named or not being named as an Eligible Holder in the Registration Statement and the related prospectus.

NOTICE

The undersigned beneficial owner (the "Eligible Holder") of Registrable Securities hereby elects to include some or all of the Registrable Securities owned by it in the Registration Statement. In order to sell or otherwise dispose of any Registrable Securities pursuant to the Registration Statement, a beneficial owner of Registrable Securities generally will be required to be named as a selling securityholder in the related prospectus and deliver a prospectus to each purchaser of Registrable Securities.

If you wish to include the Registrable Securities beneficially owned by you in the Registration Statement (or a supplement or amendment thereto), you must complete, sign and deliver this Notice of Registration Statement and Eligible Holder Information Questionnaire ("Notice and Questionnaire") to the Company at the address set forth herein on or prior to [9:00 am] New York Time on [ ] (the "Initial Questionnaire Date"). [If you do not manage to deliver the Notice and Questionnaire by the Initial Questionnaire Date, you may deliver the Notice and Questionnaire by [5:00] pm New York Time on [ ], 2012 for inclusion of the Registrable Securities beneficially owned by you in a Prospectus Supplement to be filed on [ ], 2012.]

COMPLETED NOTICE AND QUESTIONNAIRE

PLEASE SEND BY PDF A COPY OF THE COMPLETED AND EXECUTED NOTICE AND QUESTIONNAIRE TO: [ ] at [ ] WITH A COPY TO: [ ] at [ ].

The undersigned hereby provides the following information to the Company and represents and warrants that such information is accurate:

QUESTIONNAIRE

1. Name and Security Ownership

(a) Full legal name of each registered holder of Registrable Securities and type and number of Registrable Securities held:

Name	Type and Number of **Registrable** Securities

(b) Full legal name of each registered holder of any other securities of the Company and number of such securities held

Name	Number of **Other** Securities

2. Securities To Be Included In the Registration Statement

(a) Do you wish to include in the registration statement all of the Registrable Securities listed in item 1(a) above?

Yes ☐ No ☐

(b) If your answer to item 2(a) above is "no," please specify below the type and number of shares that you wish to include:

Name	Number of **Registrable** Securities

3. Beneficial Ownership of Securities of the Company Owned by the Eligible Holder(s)

"**Beneficial ownership**" is determined according to rules of the SEC. Securities are "beneficially owned" by any person who, directly or indirectly, through any contract, arrangement, understanding, relationship, or otherwise has or shares (i) voting power, which includes the power to vote, or to direct the voting of, such security, and/or, (ii) investment power, which includes the power to dispose, or to direct the disposition of, such security. The definition of beneficial ownership often requires disclosure of the individual or groups of individuals who have or share voting or investment power over the shares in question.

Please describe below or attach as a separate sheet a detailed description of the beneficial ownership of the Registrable Securities and any other securities of the Company held by the Eligible Holder. We recommend that you consult with your own securities law counsel as some or all of the description below will be included in the Registration Statement. You should also indicate clearly whether one or more of the beneficial owners disclaims beneficial ownership except to the extent of his, her or its pecuniary interest in the securities. Exhibit A hereto provides a typical example of beneficial ownership disclosure.

4. Relationships with the Company:

Except as set forth below, the undersigned has not held any position or office or had any other material relationship with the Company (or its predecessors or affiliates) during the past three (3) years.

State any exceptions here:

_____

_____

5. Broker-Dealer Status:

(a) Is any Eligible Holder a broker-dealer?

Yes ☐ No ☐

(b) If the answer is "yes" to Section 5(a) above, did such Eligible Holder receive the Registrable Securities as compensation for investment banking services to the Company?

Yes ☐ No ☐

Note: If the answer is "no" to this Section 5(b), the SEC's staff has indicated that you should be identified as an underwriter in the Registration Statement.

(c) Is any Eligible Holder an affiliate of a broker-dealer?

Yes ☐ No ☐

(d) If any of the Eligible Holders is an affiliate of a broker-dealer, do you certify that such Eligible Holder purchased the Registrable Securities in the ordinary course of business, and at the time of the purchase of the Registrable Securities to be resold, had no agreements or understandings, directly or indirectly, with any person to distribute the Registrable Securities?

Yes ☐ No ☐

Note: If the answer is "no" to this Section 5(d), the SEC's staff has indicated that the Eligible Holder should be identified as an underwriter in the Registration Statement.

Please provide any further information here:

_____

_____

_____

_____

_____

6. Address for Notices to Selling Holder:

Contact Person:
Contact Person Email Address:
Telephone:
Fax:

The undersigned agrees to promptly notify the Company of any inaccuracies or changes in the information provided herein that may occur subsequent to the date hereof at any time while the Registration Statement remains effective.

By signing below, the undersigned consents to the disclosure of the information contained herein in its answers to Items one (1) through five (5) and the inclusion of such information in the Registration Statement and the related prospectus and any amendments or supplements thereto, as the case may be. The undersigned understands that such information will be relied upon by the Company in connection with the preparation or amendment of the Registration Statement and the related prospectus.

IN WITNESS WHEREOF the undersigned, by authority duly given, has caused this Selling Stockholder Questionnaire to be executed and delivered either in person or by its duly authorized agent.

Beneficial Owner(s):

[_____] _____

By: _____

Name:
Title:

Date: _____

FORM OF JOINDER AGREEMENT

Ladies and Gentlemen:

Reference is made to the Registration Rights Agreement, dated as of [ ] (as such agreement may have been or may be amended from time to time) (the "Registration Rights Agreement"), by and among Ocwen Financial Corporation, a Florida corporation (the "Company"), each of the other parties signatory thereto and any other parties identified on the signature pages of any joinder agreements substantially similar to this joinder agreement executed and delivered pursuant to Section 8(h) of the Registration Rights Agreement. Capitalized terms used but not otherwise defined herein have the meanings set forth in the Registration Rights Agreement.

In consideration of the transfer to the undersigned of Registrable Securities of the Company, the undersigned represents that it is a transferee of [insert name of transferor] and agrees that, as of the date written below, the undersigned shall become a party to the Registration Rights Agreement, and shall be fully bound by, and subject to, all of the covenants, terms and conditions of the Registration Rights Agreement as though an original party thereto.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF the undersigned, by authority duly given, has caused this Joinder Agreement to be executed and delivered either in person or by its duly authorized agent.

[NAME]

By: _____
Name:
Title:

Address for Notices:

_____

_____

_____

Facsimile: _____
Attention: _____