Browne Leslie J
Form 4
November 19, 2010

FORM 4

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

OMB APPROVAL	
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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
Browne Leslie J

(Last) (First) (Middle)

303 GEORGE STREET, SUITE 420

(Street)

NEW BRUNSWICK, NJ 08901

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading Symbol
SENESCO TECHNOLOGIES INC [SNT]

3. Date of Earliest Transaction (Month/Day/Year)
11/17/2010

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

_____ Director _____ 10% Owner
__X__ Officer (give title below) _____ Other (specify below)
President and CEO

6. Individual or Joint/Group Filing(Check Applicable Line)
_X_ Form filed by One Reporting Person
___ Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(*e.g.*, puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security	2. Conversion or Exercise	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any	4. Transaction Code	5. Number of Derivative Securities	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)

(Instr. 3)	Price of Derivative Security	(Month/Day/Year)	(Instr. 8)		Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)					
			Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount Number Shares
Common Stock Option	$ 0.26	11/17/2010	A		725,000 (1)		11/17/2011	11/17/2020	Common Stock	725,00

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Browne Leslie J 303 GEORGE STREET SUITE 420 NEW BRUNSWICK, NJ 08901			President and CEO	

Signatures

Leslie J. Browne	11/19/2010
**Signature of Reporting Person	Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) Twenty-five percent (25%) of such options will vest on the first anniversary of the date of grant with the balance vesting at a rate of 1/36 for each month thereafter, unless the compensation committee has determined that certain performance metrics have not been met.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.
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$
36,403

$
39,523

(8
)

$
107,614

$

113,552

(5
)
IT infrastructure services

15,034

21,402

(30
)

51,785

51,333

1

Total revenue

$
51,437

$
60,925

(16
)

$

159,399

$
164,885

(3
)

We recognized service revenue of $159.4 million for the nine months ended September 30, 2015, a 3% decrease compared to the nine months ended September 30, 2014 ($51.4 million for the third quarter of 2015, a 16% decrease compared to the third quarter of 2014). The decrease for the nine months ended September 30, 2015 is primarily due to a decrease in software services at Equator from the full amortization of acquisition related deferred revenue in 2014, partially offset by an increase in REALSuite development revenue. For the third quarter of 2015, both the software services and IT infrastructure services revenues decreased compared to the third quarter of 2014. The decline in software services is driven by lower Equator revenue from the full amortization of acquisition related deferred revenue in 2014, partially offset by increased REALSuite software development revenue. IT infrastructure services, which are typically billed on a cost plus basis, were lower from reduced investment in infrastructure to better align our costs with revenue.

41

Table of Contents

For segment presentation purposes, revenue from services provided by Technology Services to our other reportable segments is eliminated in consolidation. This inter-segment revenue is included as revenue in the Technology Services segment and as technology and telecommunications costs, a component of cost of revenue and SG&A, in our other reportable segments.

Cost of Revenue and Gross Profit

Cost of revenue consists of the following:

	Three months ended September 30,			Nine months ended September 30,		
(in thousands)	2015	2014	% Increase (decrease)	2015	2014	% Increase (decrease)
Compensation and benefits	$30,046	$35,780	(16)	$100,304	$93,811	7
Outside fees and services	3	—	N/M	16	—	N/M
Technology and telecommunications	8,947	11,740	(24)	27,837	29,197	(5)
Depreciation and amortization	5,423	4,567	19	16,408	12,825	28
Cost of revenue	$44,419	$52,087	(15)	$144,565	$135,833	6

N/M — not meaningful.

Cost of revenue for the nine months ended September 30, 2015 of $144.6 million increased by 6% compared to the nine months ended September 30, 2014 ($44.4 million for the third quarter of 2015, a 15% decrease compared to the third quarter of 2014). The increase for the nine months ended September 30, 2015 was primarily due to increases in compensation and benefits costs and depreciation and amortization expenses driven by capital expenditures. A portion of the increase in costs relates to the September 2014 acquisition of Mortgage Builder. The remaining increase relates to businesses we have been investing in to support our growth. However, in connection with our cost savings initiatives we reduced certain investments during the first half of 2015 to better align our costs with revenue. During the nine months ended September 30, 2015, we recognized severance expense in the Technology Services segment of $3.2 million related to the elimination of staff ($0.1 million for the third quarter of 2015). The decrease in cost of revenue for the third quarter of 2015 was primarily due to a decrease in compensation and benefits costs and technology and telecommunications costs as a result of the implementation of cost savings initiatives. Recognizing that our service revenue from Ocwen is not expected to grow in the near term due to challenges faced by Ocwen, in late 2014 and early 2015, we developed and executed on a plan that included eliminating certain non-revenue generating businesses, reducing vendor costs and eliminating staff. Cost of revenue for the third quarter of 2015 decreased compared to the third quarter of 2014 as we benefited from the implementation of our cost savings initiatives.

Gross profit decreased to $14.8 million, representing 9% of service revenue, for the nine months ended September 30, 2015 compared to $29.1 million, representing 18% of service revenue, for the nine months ended September 30, 2014 (decreased to $7.0 million, representing 14% of service revenue, for the third quarter of 2015 compared to $8.8 million, representing 15% of service revenue, for the third quarter of 2014). Gross profit margins for both the nine months ended September 30, 2015 and the third quarter of 2015 were impacted by lower Equator revenue from the full amortization of acquisition related deferred revenue in 2014. For the nine months ended September 30, 2015, higher compensation and benefits further reduced gross profit margins, as described above. However, the decreases in compensation and benefits costs and technology and telecommunications costs resulting from the cost savings initiatives have mitigated the decline in gross profit margin for the third quarter of 2015.

Table of Contents

Selling, General and Administrative Expenses and Income from Operations

SG&A expenses consist of the following:

(in thousands)	Three months ended September 30, 2015	2014	% Increase (decrease)	Nine months ended September 30, 2015	2014	% Increase (decrease)
Compensation and benefits	$566	$1,492	(62)	$2,199	$3,965	(45)
Professional services	402	144	179	840	358	135
Occupancy related costs	3,220	2,995	8	10,349	8,489	22
Amortization of intangible assets	1,352	1,140	19	3,940	3,309	19
Depreciation and amortization	594	314	89	1,434	960	49
Change in the fair value of Equator Earn Out	—	—	N/M	(7,591)	(37,924)	(80)
Goodwill impairment	—	—	N/M	—	37,473	(100)
Other/allocations from Corp.	1,494	1,156	29	3,427	4,728	(28)
Selling, general and administrative expenses	$7,628	$7,241	5	$14,598	$21,358	(32)

N/M — not meaningful.

SG&A for the nine months ended September 30, 2015 of $14.6 million decreased by 32% compared to the nine months ended September 30, 2014 ($7.6 million for the third quarter of 2015, a 5% increase compared to the third quarter of 2014). The decrease for the nine months ended September 30, 2015 is primarily due to the second quarter of 2015 settlement of the Equator Earn Out, which resulted in a reduction in SG&A of $7.6 million, lower compensation and benefits costs in connection with cost savings initiatives and bad debt expense. The decrease was partially offset by an increase in occupancy related costs driven by facility expansions and relocations. The increase for the third quarter of 2015 was primarily due to an increase in occupancy related costs driven by facility expansions and relocations, an increase in the allocation of costs incurred at certain corporate support groups and higher legal costs related to legal and regulatory matters, partially offset by lower compensation and benefits costs in connection with cost savings initiatives. The expansion of our enterprise wide sales and marketing functions drove higher corporate allocations.

Income from operations decreased to $0.2 million, representing less than 1% of service revenue, for the nine months ended September 30, 2015 compared to $7.7 million, representing 5% of service revenue, for the nine months ended September 30, 2014 (decreased to a loss of $(0.6) million, representing (1)% of service revenue, for the third quarter of 2015 compared to $1.6 million, representing 3% of service revenue, for the third quarter of 2014). Income from operations as a percentage of service revenue decreased for the nine months ended September 30, 2015 primarily due to the decline in gross profit margin, partially offset by settlement of the Equator Earn Out, as discussed above. Income from operations as a percentage of service revenue decreased for the third quarter of 2015 primarily due to a decrease in gross profit margin and increased SG&A, as discussed above.

Corporate Items and Eliminations

Corporate Items and Eliminations include interest expense, loss on sale of HLSS equity securities, net of dividends received, gain on early extinguishment of debt and costs related to corporate support functions including executive, finance, law, compliance, human resources, vendor management, risk, sales and marketing. It also includes eliminations of transactions between the reportable segments.

Table of Contents

Corporate costs consist of the following:

(in thousands)	Three months ended September 30, 2015	2014	% Increase (decrease)	Nine months ended September 30, 2015	2014	% Increase (decrease)
Compensation and benefits	$12,632	$9,594	32	$36,010	$26,200	37
Professional services	2,005	1,903	5	7,447	5,402	38
Occupancy related costs	2,049	1,783	15	6,372	6,528	(2)
Depreciation and amortization	570	621	(8)	2,128	1,709	25
Marketing costs	2,985	—	N/M	5,767	28	N/M
Other/allocations to segments	(4,483)	196	N/M	(7,647)	556	N/M
Selling, general and administrative expenses	15,758	14,097	12	50,077	40,423	24
Other expense, net	6,466	6,405	1	21,843	15,978	37
Total corporate costs	$22,224	$20,502	8	$71,920	$56,401	28

N/M — not meaningful.

Corporate costs for the nine months ended September 30, 2015 of $71.9 million increased by 28% compared to the nine months ended September 30, 2014 ($22.2 million for the third quarter of 2015, an 8% increase compared to the third quarter of 2014). The increase for the nine months ended September 30, 2015 was primarily due to higher compensation and benefits costs as we expanded certain corporate functions, expanded the sales and marketing functions, increased marketing costs incurred in connection with our rebranding initiatives, legal and compliance costs related to regulatory and litigation matters, higher interest expense and a loss on the sale of HLSS equity securities net of dividends received. These increases were partially offset by the allocation of the costs incurred at certain support groups to the segments and gains on the early extinguishment of a portion of our senior secured term loan. The increase for the third quarter of 2015 was primarily due to higher compensation and benefits costs as we expanded certain corporate functions including the sales and marketing functions and incurred higher interest expense from the August 2014 additional $200.0 million senior secured term loan borrowing, partially offset by the allocation of the costs incurred at certain support groups to the segments and a gain on the early extinguishment of a portion of our senior secured term loan.

Interest expense for the nine months ended September 30, 2015 of $21.4 million increased by 33% compared to the nine months ended September 30, 2014 ($7.0 million for the third quarter of 2015, a 9% increase compared to the third quarter of 2014), resulting from the additional $200.0 million senior secured term loan borrowings on August 1, 2014.

During the first quarter of 2015, we purchased 1.6 million shares of HLSS common stock in the open market for $30.0 million (1,613,125 shares at an average price per share of $18.58). This investment was classified as available for sale. On April 6, 2015, HLSS completed the sale of substantially all of its assets and adopted a plan of complete liquidation and dissolution. During the second quarter of 2015, we received liquidating dividends and other dividends from HLSS totaling $20.4 million and sold all of our 1.6 million shares of HLSS common stock in the open market for $7.7 million (1,613,125 shares at an average price per share of $4.75). As a result of these transactions, we recognized a net loss of $1.9 million for the nine months ended September 30, 2015 (no comparative amount for the nine months ended September 30, 2014) in connection with our investment in HLSS.

In June 2015, we repurchased a portion of our senior secured term loan with a par value of $16.0 million at a 9% discount, recognizing a net gain of $1.1 million on the early extinguishment of debt. In September 2015, we repurchased an additional portion of our senior secured term loan with a par value of $11.0 million at an 11% discount, recognizing a net gain of $0.9 million on the early extinguishment of a portion of the debt.

Intercompany revenue that is eliminated in consolidation increased for the nine months ended September 30, 2015 compared to the nine months ended September 30, 2014 and decreased for the third quarter of 2015 compared to the third quarter of 2014. These intercompany transactions primarily consisted of IT infrastructure services, which increased for the nine months ended September 30, 2015 and decreased for the third quarter of 2015, compared to the similar periods of the prior year. While the expenses are recognized in the Mortgage Services and Financial Services segments above, the elimination of these expenses is reflected in Corporate Items and Eliminations.

44

Table of Contents

LIQUIDITY AND CAPITAL RESOURCES

Liquidity

Our primary source of liquidity is cash flows from operations. We seek to deploy excess cash generated in a disciplined manner. Principally, we intend to use excess cash to develop complementary services and businesses that we believe will generate attractive margins in line with our core capabilities and strategy. We may consider business acquisitions and other opportunities that may arise from time to time that are aligned with our strategy. We also seek to use cash to repurchase and repay our senior secured term loan and common stock. For the nine months ended September 30, 2015, we used $11.2 million (net of cash acquired) to acquire CastleLine. For the nine months ended September 30, 2015, we used $78.1 million to repurchase Altisource common stock, repurchase a portion of the senior secured term loan and make contractual repayments of our senior secured term loan.

Our relationship with Ocwen is subject to a number of risks and uncertainties that could result in changes to our relationship and have an adverse effect on our liquidity. We intend to closely monitor the Ocwen related uncertainties and to modify our business plan as needed in response. As a result of these uncertainties, we intend to closely monitor our cash and cash equivalents position throughout 2015. Based on market conditions, we may continue repurchasing our common stock and/or our debt if we believe conditions are favorable.

Senior Secured Term Loan

On November 27, 2012, Altisource Solutions S.à r.l., a wholly-owned subsidiary of the Company, entered into a senior secured term loan agreement with Bank of America, N.A., as administrative agent, and certain lenders. The Company and certain wholly-owned subsidiaries are guarantors of the term loan. We subsequently amended the senior secured term loan agreement to increase the principal amount of the senior secured term loan and, among other changes, re-establish the $200.0 million incremental term loan facility accordion, lower the interest rate, extend the maturity date by approximately one year and increase the maximum amount of Restricted Junior Payments (as defined in the senior secured term loan agreement; other capitalized terms, unless defined herein, are defined in the senior secured term loan agreement). The lenders of the senior secured term loan, as amended, have no obligation to provide any such additional debt under the accordion provision. As of September 30, 2015, $557.6 million, net of unamortized discount of $2.4 million, was outstanding under the senior secured term loan agreement, as amended, compared to $588.6 million, net of unamortized discount of $2.9 million, as of December 31, 2014.

After giving effect to the third amendment entered into on August 1, 2014, the term loan must be repaid in equal consecutive quarterly principal installments of $1.5 million, which commenced on September 30, 2014, with the balance due at maturity. All amounts outstanding under the senior secured term loan agreement will become due on the earlier of (i) December 9, 2020 and (ii) the date on which the loans are declared to be due and owing by the administrative agent at the request (or with the consent) of the Required Lenders or as otherwise provided in the loan agreement upon the occurrence of any event of default under the senior secured term loan agreement. However, if leverage ratios exceed 3.00 to 1.00, as calculated in accordance with the provisions of the senior secured term loan agreement, a percentage of cash flows must be used to repay principal. No mandatory prepayments were required for the nine months ended September 30, 2015. The interest rate as of September 30, 2015 was 4.50%.

In June 2015, the Company repurchased a portion of its senior secured term loan with a par value of $16.0 million at a 9% discount, recognizing a net gain of $1.1 million on the early extinguishment of a portion of the debt. In September 2015, the Company repurchased an additional portion of its senior secured term loan with a par value of $11.0 million at an 11% discount, recognizing a net gain of $0.9 million on the early extinguishment of a portion of the debt. These net gains are included in other income (expense), net in the condensed consolidated statements of operations.

The debt covenants in the senior secured term loan agreement limit, among other things, our ability to incur additional debt, pay dividends and repurchase stock. In the event we require additional liquidity, our ability to obtain it may be limited by the senior secured term loan.

45

Table of Contents

Cash Flows

The following table presents our cash flows for the nine months ended September 30:

(in thousands)	2015	2014	% Increase (decrease)
Net income adjusted for non-cash items	$145,612	$195,775	(26)
Changes in operating assets and liabilities	(36,461)	(70,079)	48
Net cash flows provided by operating activities	109,151	125,696	(13)
Net cash flows used in investing activities	(39,995)	(63,344)	37
Net cash flows used in financing activities	(80,370)	(16,192)	N/M
Net (decrease) increase in cash and cash equivalents	(11,214)	46,160	(124)
Cash and cash equivalents at the beginning of the period	161,361	130,429	24
Cash and cash equivalents at the end of the period	$150,147	$176,589	(15)

N/M — not meaningful.

Cash Flows from Operating Activities

Cash flows from operating activities generally consist of the cash effects of transactions and events that enter into the determination of net income. For the nine months ended September 30, 2015, we generated cash flows from operating activities of $109.2 million, or approximately $0.16 for every dollar of service revenue ($0.22 for every dollar of service revenue for the third quarter of 2015) compared to cash flows from operating activities of $125.7 million, or approximately $0.17 for every dollar of service revenue for the nine months ended September 30, 2014 ($0.06 for every dollar of service revenue for the third quarter of 2014). The decrease in cash flows from operations for the nine months ended September 30, 2015 compared to the nine months ended September 30, 2014 is principally driven by lower 2015 net income, after adding back depreciation and amortization and intangible asset amortization, and unfavorable working capital changes. Changes in working capital for the nine months ended September 30, 2015 compared to the nine months ended September 30, 2014 were principally driven by a higher increase in accounts receivable in 2014 from revenue growth and the timing of collections. Additionally, accounts payable and accrued expenses decreased in 2015 due to the timing of payments and changes in incentive compensation accruals across the relative time periods.

Operating cash flows per service revenue dollar can be negatively impacted because of the nature of some of our services. Certain services are performed immediately following or shortly after the referral, but the collection of the receivable does not occur until a specific event occurs (e.g., the foreclosure is complete, the REO asset is sold, etc.) and our cash flows from operations may be negatively impacted when comparing one interim period to another.

Cash Flows from Investing Activities

Cash flows from investing activities include capital expenditures of $27.7 million and $48.1 million for the nine months ended September 30, 2015 and 2014, respectively, primarily related to facility build-outs, investments in IT infrastructure and the development of certain software applications. Capital expenditures for the nine months ended September 30, 2015 decreased primarily as a result of lower facility build-outs in 2015 from fewer office relocations. In addition, from March 10, 2015 to March 17, 2015, we purchased 1.6 million shares of HLSS common stock in the open market for $30.0 million. During April 2015, we received liquidating dividends and other dividends from HLSS totaling $20.4 million. Between April 22, 2015 and April 29, 2015, we sold all of our 1.6 million shares of HLSS common stock in the open market for $7.7 million. Cash proceeds from the dividends and sale of the HLSS common stock totaled $28.1 million during the nine months ended September 30, 2015. On July 17, 2015, we acquired CastleLine for $11.2 million of cash at acquisition, excluding cash balances acquired of $1.1 million. Additionally, the acquisition includes $10.5 million of cash that is payable over four years from the acquisition date and $14.4 million of restricted common stock of the Company. On September 12, 2014, we acquired Mortgage Builder for $14.9 million of cash at acquisition, excluding cash balances acquired of $0.7 million, and contingent consideration of up to $7.0 million.

Cash Flows from Financing Activities

Cash flows from financing activities for the nine months ended September 30, 2015 and 2014 include activities associated with share repurchases, debt issuances, debt repurchases and repayments, stock option exercises and payments to non-controlling interests. During the nine months ended September 30, 2015 and 2014, we spent $49.0 million and $208.8 million, respectively, to repurchase our common stock. During the nine months ended September 30, 2015 and 2014, we used $29.1 million and $3.5

46

Table of Contents

million, respectively, to repurchase and repay the senior secured term loan. This includes the repurchases of portions of our senior secured term loan with par value of $16.0 million at a 9% discount and par value of $11.0 million at an 11% discount. Stock option exercises provided proceeds of $0.3 million and $2.5 million for the nine months ended September 30, 2015 and 2014, respectively. Distributions to non-controlling interests were $2.1 million and $1.8 million for the nine months ended September 30, 2015 and 2014, respectively. On August 1, 2014, we borrowed $200.0 million in connection with amending our senior secured term loan agreement, and received cash proceeds net of a $2.0 million original issuance discount. We incurred $2.6 million of debt issuance costs in connection with this borrowing.

Liquidity Requirements after September 30, 2015

On September 12, 2014, we acquired Mortgage Builder. The Mortgage Builder purchase agreement provides for the payment of up to $7.0 million in potential additional consideration based on Adjusted Revenue (as defined in the purchase agreement). As of September 30, 2015, we estimate the fair value of the Mortgage Builder potential additional consideration to be $1.7 million. The amount ultimately paid will depend on Mortgage Builder's Adjusted Revenue in the three consecutive 12-month periods following closing.

On November 21, 2014, we acquired Owners. The Owners purchase agreement provides for a payment of up to $7.0 million of potential additional consideration based on Adjusted Revenue (as defined in the purchase agreement) earned in the two consecutive 12-month periods following closing. As of September 30, 2015, we estimate the fair value of the Owners contingent consideration to be $2.1 million. The amount ultimately paid will depend on Owners' Adjusted Revenue earned in the two consecutive 12-month periods following closing.

On July 17, 2015, we acquired CastleLine. A portion of the purchase consideration totaling $10.5 million is payable to the sellers over four years from the acquisition date, including $3.8 million to be paid to certain of the sellers that is contingent on future employment.

On October 9, 2015, we acquired GoldenGator, LLC (doing business as RentRange®), REIsmart, LLC (doing business as Investability)™ and Onit Solutions, LLC, a support company for RentRange and Investability (collectively, the "Acquired Businesses") for $24.8 million. The purchase price is composed of $17.5 million in cash at closing and 247 thousand shares of restricted common stock of the Company with a value of $7.3 million as of the closing date.

During the fourth quarter of 2015, we expect to distribute $0.8 million to the Lenders One members representing non-controlling interests and repay $1.5 million of the senior secured term loan.

We believe that we will generate sufficient cash flows from operations to fund capital expenditures and required debt and interest payments for the next twelve months.

Contractual Obligations, Commitments and Contingencies

For the nine months ended September 30, 2015, there were no significant changes to our contractual obligations from those identified in our Form 10-K for the fiscal year ended December 31, 2014, other than those that occur in the normal course of business and the 2015 repurchases of a portion of the senior secured term loan described in Note 13. See also Note 20 to the interim condensed consolidated financial statements.

CRITICAL ACCOUNTING POLICIES, ESTIMATES AND RECENT ACCOUNTING PRONOUNCEMENT

We prepare our interim condensed consolidated financial statements in accordance with accounting principles generally accepted in the United States of America ("GAAP"). In applying many of these accounting principles, we need to make assumptions, estimates and judgments that affect the reported amounts of assets, liabilities, revenue and expenses in our interim condensed consolidated financial statements. We base our estimates and judgments on historical experience and other assumptions that we believe are reasonable under the circumstances. These assumptions, estimates and judgments, however, are often subjective. Actual results may be negatively affected based on changing circumstances. If actual amounts are ultimately different from our estimates, the revisions are included in our results of operations for the period in which the actual amounts become known.

Our critical accounting policies are described in the MD&A section of our Form 10-K for the year ended December 31, 2014 filed with the SEC on March 2, 2015. Those policies have not changed during the nine months ended September 30, 2015.

Table of Contents

Future Adoption of New Accounting Pronouncements

In May 2014, Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2014-09, Revenue from Contracts with Customers (Topic 606). This standard establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers and supersedes most current revenue recognition guidance. The core principle of the new standard is an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. In August 2015, in response to stakeholders' requests to defer the effective date of ASU 2014-09 and in consideration of feedback received through extensive outreach with preparers, practitioners and users of financial statements, the FASB deferred the effective date for all entities by one year. This new standard will be effective for annual reporting periods beginning after December 15, 2017, including interim periods within that reporting period. Early adoption is permitted, although not prior to annual reporting periods beginning after December 15, 2016. The Company is currently evaluating the impact this new guidance may have on its results of operations and financial position.

In February 2015, FASB issued ASU No. 2015-02, Consolidation (Topic 810): Amendments to the Consolidation Analysis. This standard addresses the consolidation of certain legal entities relative to current requirements under GAAP of a reporting entity to consolidate another legal entity in situations in which the reporting entity's contractual rights do not give it the ability to act primarily on its own behalf, the reporting entity does not hold a majority of the legal entity's voting rights or the reporting entity is not exposed to a majority of the legal entity's economic benefits or obligations. This standard will be effective for annual reporting periods beginning after December 15, 2015, including interim periods within that reporting period. Early adoption is permitted, including adoption in an interim period. If an entity early adopts the standard in an interim period, any adjustments should be reflected as of the beginning of the year that includes that interim period. The Company is currently evaluating the impact this new guidance may have on its results of operations and financial position.

In April 2015, FASB issued ASU No. 2015-03, Interest-Imputation of Interest (Topic 835-30): Simplifying the Presentation of Debt Issuance Costs. This standard changes the presentation of debt issuance costs in financial statements. Under the ASU, an entity presents such costs in the balance sheet as a direct deduction from the related debt liability rather than as an asset. This standard will be effective for annual reporting periods beginning after December 15, 2015, including interim periods within that reporting period. Early adoption is permitted for financial statements that have not been previously issued. The Company does not expect the adoption of this standard to have a material impact on its results of operations or financial position.

In September 2015, FASB issued ASU No. 2015-16, Business Combination (Topic 805): Simplifying the Accounting for Measurement-Period Adjustments. This standard requires that adjustments to provisional amounts that are identified during measurement period are recognized in the reporting period in which the adjustment amounts are determined rather than recognizing the adjustments retrospectively. The standard also requires that the acquirer records, in the same period's financial statements, the effect on earnings of changes in depreciation, amortization, or other income effects, if any, as a result of the change to the provisional amounts, calculated as if the accounting had been completed at the acquisition date. This standard will be effective for annual reporting periods beginning after December 15, 2015, including interim periods within that reporting period. Early adoption is permitted for financial statements that have not been previously issued. The Company does not expect the adoption of this standard to have a material impact on its results of operations or financial position.

Table of Contents

Item 3. Quantitative and Qualitative Disclosures about Market Risk

Market Risk
Our financial market risk consists primarily of interest rate and foreign currency exchange risk.
Interest Rate Risk
As of September 30, 2015, the interest rate charged on the senior secured term loan was 4.50%. The interest rate is calculated based on the Adjusted Eurodollar Rate (as defined in the senior secured term loan agreement) with a minimum floor of 1.00% plus 3.50%.

Based on the principal amount outstanding at September 30, 2015, a one percentage point increase in the Eurodollar Rate would increase our annual interest expense by approximately $1.8 million, based on the September 30, 2015 Adjusted Eurodollar Rate. There would be no change in our annual interest expense if there was a one percentage point decrease in the Eurodollar Rate.

Foreign Currency Exchange Risk

We are exposed to currency risk from potential changes in currency values of our foreign currency denominated expenses, assets, liabilities and cash flows. Our most significant foreign currency exposure relates to the Indian rupee. Based on expenses incurred in Indian rupees during the nine months ended September 30, 2015, a one percentage point increase or decrease in value of the Indian rupee in relation to the United States dollar would increase or decrease our annual expenses by approximately $1.2 million.
Item 4. Controls and Procedures

a) Evaluation of Disclosure Controls and Procedures
Our Chief Executive Officer and Chief Financial Officer have evaluated the effectiveness of our disclosure controls and procedures (as defined in Rule 13a-15(e) and Rule 15d-15(e) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”)) as of the end of the period covered by this quarterly report. Based on such evaluation, such officers have concluded that our disclosure controls and procedures as of the end of the period covered by this quarterly report were effective to ensure that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC rules and forms, and to ensure that such information is accumulated and communicated to our management, including the Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.
b) Internal Control over Financial Reporting
There were no changes in our internal control over financial reporting (as defined in the Exchange Act Rules 13a-15(f) and 15d-15(f)) that occurred during the quarter ended September 30, 2015, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Table of Contents

PART II — OTHER INFORMATION

Item 1. Legal Proceedings

From time to time, we are involved in legal and administrative proceedings arising in the course of our business. We record a liability for these matters if an unfavorable outcome is probable and the amount of loss can be reasonably estimated, including expected insurance coverage. For proceedings where the reasonable estimate of loss is a range, we record a best estimate of loss within the range.

On September 8, 2014, the West Palm Beach Firefighter's Pension Fund filed a putative securities class action suit against Altisource and certain of its officers and directors in the United States District Court for the Southern District of Florida alleging violations of the Securities Exchange Act of 1934 and Rule 10b-5 with regard to disclosures concerning pricing and transactions with related parties that allegedly inflated Altisource share prices. The Court subsequently appointed the Pension Fund of the International Union of Painters and Allied Trades District Council 35 and the Annuity Fund of the International Union of Painters and Allied Trades District Council 35 as Lead Plaintiffs. On January 30, 2015, Lead Plaintiffs filed an amended class action complaint which added Ocwen Financial Corporation as a defendant, and seeks a determination that the action may be maintained as a class action on behalf of purchasers of the Company's securities between April 25, 2013 and December 21, 2014 and an unspecified amount of damages. Altisource moved to dismiss the suit on March 23, 2015. On September 4, 2015, the Court granted the defendants' motion to dismiss, finding that the Plaintiffs' amended complaint failed to state a claim as to any of the defendants, but permitting the Plaintiffs to file another amended complaint. Lead Plaintiffs subsequently filed second and third amended complaints with substantially similar claims and theories. Altisource intends to move to dismiss the third amended complaint and to continue to vigorously defend this suit.

On February 11, 2015, W.A. Sokolowski, an alleged shareholder of Ocwen Financial Corporation, filed an amended shareholder derivative complaint in the United States District Court for the Southern District of Florida against Ocwen Financial Corporation, certain of its officers and directors, Altisource and other companies. The suit seeks recovery of an unspecified amount of damages for alleged breaches of fiduciary duty by Ocwen's current and former officers and directors, which were allegedly aided and abetted by Altisource and other defendants. Ocwen moved to stay this action, and on September 29, 2015, the Court denied the motion to stay without prejudice. Altisource intends to vigorously defend the lawsuit and move to dismiss all claims against it.

On March 26, 2015, Robert Moncavage, an alleged shareholder of Ocwen Financial Corporation, filed an amended shareholder derivative complaint in the Circuit Court of the Fifteenth Judicial Circuit in and for Palm Beach County, Florida against Ocwen Financial Corporation, certain of its current and former officers and directors, Altisource and other companies. The suit seeks recovery of an unspecified amount of damages for alleged breaches of fiduciary duty by Ocwen's current and former officers and directors, which were allegedly aided and abetted by Altisource and other defendants. Ocwen has moved to stay this action, and if the litigation proceeds, Altisource intends to vigorously defend the lawsuit and to move to dismiss all claims against it.

Altisource is unable to predict the outcomes of these lawsuits or reasonably estimate the potential loss, if any, arising from the suits, given that Altisource's forthcoming motions to dismiss have not yet been adjudicated in the first and second cases, a motion to stay has been filed in the second and third cases, discovery has not commenced in any of the cases and significant legal and factual issues remain to be determined in all three cases.

In addition to the matters referenced above, we are involved in legal actions in the course of our business, some of which seek monetary damages. We do not believe that the outcome of these proceedings, both individually and in the aggregate, will have a material impact on our financial condition, results of operations or cash flows.

Regulatory Matters

Our business is subject to regulation and oversight by federal, state and local governmental authorities. We periodically receive subpoenas, civil investigative demands or other requests for information from regulatory agencies in connection with their regulatory or investigative authority. We are currently responding to such inquiries from federal and state agencies relating to certain aspects of our business. We believe it is premature to predict the potential outcome or to estimate any potential financial impact in connection with these inquiries.

50

Table of Contents

Item 1A. Risk Factors

As of the date of this filing, there have been no material changes in our risk factors from those disclosed in Part I, Item 1A, of our Form 10-K for the year ended December 31, 2014 filed with the SEC on March 2, 2015.

Table of Contents

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Equity securities repurchased by us:

The following table presents information related to our repurchases of our equity securities during the three months ended September 30, 2015:

Period	Total number of shares purchased[1]	Weighted average price paid per share	Total number of shares purchased as part of publicly announced plans or programs[2]	Maximum number of shares that may yet be purchased under the plans or programs[2]
Common stock:				
July 1 – 31, 2015	—	$—	—	1,997,537
August 1 – 31, 2015	67,486	25.96	67,486	1,930,051
September 1 – 30, 2015	118,526	27.40	118,526	1,811,525
	186,012	$26.88	186,012	1,811,525

(1) May include shares withheld from employees to satisfy tax withholding obligations that arose from the exercise of stock options.

(2) On May 20, 2015, our shareholders authorized a new share repurchase program that replaces the prior program and authorizes us to purchase up to 3.0 million shares of our common stock in the open market.

52

Table of Contents

Item 6. Exhibits

*	31.1	Section 302 Certification of the Chief Executive Officer pursuant to Exchange Act Rule 13a-14(a)
*	31.2	Section 302 Certification of the Chief Financial Officer pursuant to Exchange Act Rule 13a-14(a)
*	32.1	Certification by the Chief Executive Officer and Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
*	101	Pursuant to Rule 405 of Regulation S-T, the following financial information from the Company’s Quarterly Report on Form 10-Q for the period ended September 30, 2015 is formatted in XBRL interactive data files: (i) Condensed Consolidated Balance Sheets at September 30, 2015 and December 31, 2014; (ii) Condensed Consolidated Statements of Operations for the three and nine months ended September 30, 2015 and 2014; (iii) Condensed Consolidated Statements of Equity for the nine months ended September 30, 2015 and 2014; (iv) Condensed Consolidated Statements of Cash Flows for the nine months ended September 30, 2015 and 2014; and (v) Notes to Condensed Consolidated Financial Statements.

* Filed herewith

Table of Contents

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.

ALTISOURCE PORTFOLIO SOLUTIONS S.A.
(Registrant)

Date:	October 22, 2015	By:	/s/ Michelle D. Esterman Michelle D. Esterman Chief Financial Officer (On behalf of the Registrant and as its Principal Financial Officer)