

Front Yard Residential Corp  
Form DEFC14A  
April 12, 2019

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

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of  
the Securities Exchange Act of 1934 (Amendment No. )

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material under §240.14a-12

FRONT YARD RESIDENTIAL CORPORATION  
(Name of Registrant as Specified In Its Charter)

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

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
  - (1) Title of each class of securities to which transaction applies:  
N/A
  - (2) Aggregate number of securities to which transaction applies:  
N/A
  - (3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):  
N/A
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- Fee paid previously with preliminary materials.

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

(1) Amount Previously Paid:

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N/A

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

N/A

(3) Filing Party:

N/A

(4) Date Filed:

N/A

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April 12, 2019

Dear Fellow Stockholder:

On behalf of the Board of Directors, I cordially invite you to attend the 2019 Annual Meeting of Stockholders of Front Yard Residential Corporation, a Maryland corporation (the "Company"), which will be held at The Buccaneer Hotel, located at 5007 Estate Shoys, Christiansted, United States Virgin Islands 00820 on Thursday, May 23, 2019, at 8:30 a.m., Atlantic Standard Time. The matters to be considered by stockholders at the 2019 Annual Meeting of Stockholders are described in detail in the accompanying materials.

It is very important that you be represented at the 2019 Annual Meeting of Stockholders regardless of the number of shares you own or whether you are able to attend the meeting in person. We urge you to vote your WHITE proxy card in one of the manners described in the accompanying materials even if you plan to attend the 2019 Annual Meeting of Stockholders. This will not prevent you from voting in person but will ensure that your vote is counted if you are unable to attend.

Your support of and interest in Front Yard Residential Corporation is sincerely appreciated.

Sincerely,

Rochelle R. Dobbs  
Chair of the Board of Directors

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FRONT YARD RESIDENTIAL CORPORATION  
NOTICE OF THE 2019 ANNUAL MEETING OF STOCKHOLDERS AND  
IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS  
FOR THE ANNUAL MEETING OF STOCKHOLDERS TO BE HELD ON MAY 23, 2019

NOTICE

The 2019 Annual Meeting of Stockholders of Front Yard Residential Corporation (the “Company”), a Maryland corporation, will be held:

Date: Thursday, May 23, 2019

Time: 8:30 a.m., Atlantic Standard Time

Location: The Buccaneer Hotel  
5007 Estate Shoys  
Christiansted, United States Virgin Islands 00820

PURPOSE

- To consider and vote upon the election of the seven (7) Directors named in the attached proxy statement to serve until the 2020 Annual Meeting of Stockholders and/or until their successors are duly elected and qualified;
- To ratify the appointment of Ernst & Young LLP as our independent registered public accounting firm for the year ending December 31, 2019;
- To approve the adoption of the Front Yard Residential Corporation 2019 Equity Incentive Plan (the “2019 Equity Incentive Plan”);
- To approve, on an advisory basis, the compensation of the Company’s named executive officers, as disclosed in the proxy statement; and
- To transact such other business as may properly come before the 2019 Annual Meeting of Stockholders and any postponement or adjournment thereof.

PROCEDURES

• Our Board of Directors has fixed the close of business on April 17, 2019 as the record date for the determination of stockholders entitled to notice of and to vote at the 2019 Annual Meeting of Stockholders.

• Only stockholders of record at the close of business on the record date will be entitled to receive notice of and vote at the 2019 Annual Meeting of Stockholders.

The proxy statement for our 2019 Annual Meeting of Stockholders and our Annual Report to Stockholders were made available on or about April 12, 2019 on our website under Shareholders-Investor Relations-Financial Information at <http://ir.frontyardresidential.com/financial-information>.

Please note that Snow Park Capital Partners Master Fund, LP, together with other participants in the solicitation (collectively, “Snow Park”) has notified the Company of its intent to nominate five (5) alternate director nominees for election to the Board of Directors at the 2019 Annual Meeting of Stockholders. As a result, you may receive solicitation materials from Snow Park, including a proxy statement and proxy card, seeking your proxy to vote for Snow Park’s nominees. We are not responsible for the accuracy of any information provided by or relating to Snow Park or its nominees contained in solicitation materials filed or disseminated by or on behalf of Snow Park or any other statements Snow Park may make.

THE BOARD OF DIRECTORS DOES NOT ENDORSE ANY OF SNOW PARK'S NOMINEES AND UNANIMOUSLY RECOMMENDS THAT YOU VOTE "FOR" THE ELECTION OF EACH OF THE NOMINEES PROPOSED BY THE BOARD OF DIRECTORS ON THE WHITE PROXY CARD. OUR BOARD OF DIRECTORS STRONGLY URGES YOU NOT TO SIGN OR RETURN ANY PROXY CARD SENT TO YOU BY SNOW PARK. IF YOU PREVIOUSLY SUBMITTED A PROXY CARD SENT TO YOU BY SNOW PARK, YOU CAN REVOKE THAT PROXY AND VOTE FOR THE NOMINEES RECOMMENDED BY OUR BOARD OF DIRECTORS AND ON THE OTHER MATTERS TO BE VOTED ON AT THE ANNUAL MEETING BY USING THE ENCLOSED WHITE PROXY CARD. ONLY THE LATEST VALIDLY EXECUTED PROXY THAT YOU SUBMIT WILL BE COUNTED.

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Your vote is extremely important. Whether or not you plan to attend the 2019 Annual Meeting of Stockholders, please be sure to vote your shares on the WHITE proxy card TODAY.

Your attention is directed to the proxy statement accompanying this Notice for a more complete statement of the matters to be considered at the meeting.

YOUR BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT YOU VOTE “FOR” EACH NOMINEE FOR DIRECTOR LISTED IN PROPOSAL ONE AND “FOR” PROPOSALS TWO, THREE AND FOUR.

PLEASE DATE, SIGN AND MAIL THE ENCLOSED WHITE PROXY CARD OR SUBMIT YOUR PROXY USING THE INTERNET LINK OR TELEPHONE NUMBER SET FORTH ON THE WHITE PROXY CARD.

By Order of the Board of Directors,  
Michael G. Lubin  
Corporate Secretary

April 12, 2019  
Christiansted, United States Virgin Islands

If you have any questions, require assistance in voting your WHITE proxy card, or need additional copies of the Company’s proxy materials, please contact Innisfree at the phone numbers listed below.

Innisfree M&A Incorporated  
501 Madison Avenue, 20th Floor  
New York, NY 10022

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Stockholders call toll free at (888) 750-5834

Banks and Brokers may call collect at (212) 750-5833

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FRONT YARD RESIDENTIAL CORPORATION  
PROXY STATEMENT  
2019 ANNUAL MEETING OF STOCKHOLDERS

General Information

We have made this proxy statement (“Proxy Statement”) available to you on or about April 12, 2019 as a holder of common stock of Front Yard Residential Corporation, a Maryland corporation (“we,” “our,” “Front Yard” or the “Company”) because our Board of Directors is soliciting your proxy to be exercised at the Annual Meeting of Stockholders and at any postponement or adjournment thereof (the “Annual Meeting”). The Annual Meeting of Stockholders will be held at The Buccaneer Hotel, located at 5007 Estate Shoys, Christiansted, United States Virgin Islands 00820 on Thursday, May 23, 2019 at 8:30 a.m., Atlantic Standard Time for the purposes listed in the Notice of Annual Meeting of Stockholders. Stockholders are requested to arrive at the Annual Meeting on time, as there will be no admittance once the Annual Meeting has begun.

At the Annual Meeting, our stockholders will be asked to (1) consider and vote upon the election of seven (7) Directors to serve until the 2020 Annual Meeting of Stockholders and/or until their successors are duly elected and qualified, (2) ratify the appointment of Ernst & Young LLP to be our independent registered public accounting firm for the year ending December 31, 2019, (3) approve the adoption of the 2019 Equity Incentive Plan and (4) approve, on an advisory basis, of the compensation of the Company’s named executive officers, as disclosed in this Proxy Statement.

If any other matters properly come before the Annual Meeting, the persons designated as proxies intend to vote in accordance with their discretion on such matters.

Proxies to be exercised at the Annual Meeting are being solicited by and on behalf of our Board of Directors.

Proxy Materials

On or about April 12, 2019, we will mail the proxy materials consisting of this Proxy Statement, the WHITE proxy card and our Annual Report to Stockholders (the “Annual Report”) for the year ended December 31, 2018. We also expect our proxy documents to be made available to stockholders on or about April 12, 2019 through the Shareholders link on our website at [www.frontyardresidential.com](http://www.frontyardresidential.com) or through [www.proxyvote.com](http://www.proxyvote.com). Our annual report on Form 10-K for the year ended December 31, 2018 was filed with the SEC and made available on our website on February 27, 2019.

Stockholders of Record. If your shares are registered in your own name, you will receive a full set of the proxy documents in the mail. As a stockholder of record, you have the right to vote in person or to be represented by proxy at the Annual Meeting. The Company has enclosed a WHITE proxy card for you to use. You may also submit voting instructions via the Internet or by telephone by following the instructions on the WHITE proxy card.

Beneficial Stockholders. If your shares are not registered in your name, you should receive proxy materials and a WHITE voting instruction form from your bank or broker. We recommend that you contact your bank or broker if you do not receive these instructions. As the beneficial owner, you have the right to direct your bank, broker or other holder of record how to vote your shares by using the voting instructions you received.

Voting Procedures



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You may vote by attending the Annual Meeting in person, by completing and returning a proxy by mail or by using the Internet or telephone. You may submit your proxy by mail by marking your vote on the enclosed WHITE proxy card, then following the instructions on the card. To submit your proxy using the Internet or by telephone, see the instructions on the WHITE proxy card and have the WHITE proxy card available when you access the Internet website or place your telephone call. If you are authorizing a proxy to vote your shares over the Internet or by telephone, you will need to provide the control number that is printed on the proxy card that you receive. If you are a stockholder of record and wish to vote in person at the Annual Meeting, you may do so.

If you are the beneficial owner of shares held in “street name” by a bank or broker and wish to vote in person at the Annual Meeting, you must obtain a legal proxy from the bank, broker or other institution holding your shares and bring such proxy with you to hand in with your ballot.

Even if you plan to attend the Annual Meeting, we recommend that you authorize a proxy to vote your shares in advance of the Annual Meeting as described above so that your vote will be counted if you later decide not to attend the Annual Meeting.

#### How a Proxy Works

All valid proxies received prior to the Annual Meeting will be voted in accordance with the directions on the proxies, unless such proxies have previously been revoked. If you submit a WHITE proxy card with no voting direction indicated, the shares will be voted as the Board recommends, which is as follows:

•“FOR ALL” of the seven (7) nominees to the Board listed in this Proxy Statement and on the WHITE proxy card (Proposal One);

•“FOR” the ratification of the appointment of Ernst & Young LLP as our independent registered public accounting firm for the year ending December 31, 2019 (Proposal Two);

•“FOR” the approval of the adoption of the 2019 Equity Incentive Plan (Proposal Three); and

•“FOR” the approval, on an advisory basis, of the compensation of the Company’s named executive officers, as disclosed in the Proxy Statement (Proposal Four).

With regard to any other business that properly comes before the Annual Meeting, each proxy received will be voted in the discretion of the persons appointed as proxies.

By returning a signed WHITE proxy card by mail or by duly submitting a proxy by Internet or telephone, you will confer discretionary authority on the named proxies to vote on any other business that properly comes before the meeting or any adjournment or postponement thereof for which discretionary authority is permitted. The persons named on the WHITE proxy card as proxies or their substitutes will vote or act in their discretion with respect to such other matters. Any such matters shall be determined by a majority of the votes cast.

#### How to Revoke or Change a Proxy

The Board strongly urges you not to sign or return any proxy card sent to you by or on behalf of Snow Park Capital Partners Master Fund, LP, together with other participants in the solicitation (collectively, “Snow Park”). Submitting a proxy card sent to you by or on behalf of Snow Park will revoke votes you have previously cast via our WHITE proxy card, Internet or telephonically.

If you have already submitted a proxy card that you received from Snow Park, you may revoke that proxy and vote for the Board’s nominees. You have the power to revoke your proxy at any time before it is exercised at the Annual Meeting by:

•filing a timely written notice of revocation with our Corporate Secretary at the following address:

Michael G. Lubin, Corporate Secretary

Front Yard Residential Corporation  
c/o Altisource Asset Management Corporation  
5100 Tamarind Reef  
Christiansted, United States Virgin Islands 00820

submitting a new, properly executed WHITE proxy card bearing a later date;

voting again via the Internet or telephone; or

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attending the Annual Meeting and voting in person. Attending the Annual Meeting will not, by itself, revoke a properly executed proxy.

If your shares are held by a bank or broker and you have instructed such bank or broker to vote your shares, you must follow directions received from your bank or broker to change these instructions.

#### Who May Vote

You are entitled to vote at the Annual Meeting or any postponement or adjournment thereof if you are a holder of record of our common stock at the close of business on April 17, 2019, the record date for the Annual Meeting. Each share of our common stock is entitled to cast one (1) vote at the Annual Meeting on all matters properly presented.

We are commencing our solicitation of proxies on or about April 12, 2019, which is before the record date. We will continue to solicit proxies until the date of the Annual Meeting. Each shareholder of record on April 17, 2019 who has not yet received a proxy statement prior to that date will receive a proxy statement and have the opportunity to vote on the matters described in the proxy statement. Proxies delivered prior to the record date will be valid and effective so long as the shareholder providing the proxy is a shareholder on the record date. If you are not a holder of record on the record date, any proxy you deliver will not be counted. If you deliver a proxy prior to the record date and remain a holder on the record date, you do not need to deliver another proxy after the record date. If you deliver a proxy prior to the record date and do not revoke that proxy, your proxy will be deemed to cover the number of shares you own on the record date even if that number is different from the number of shares you owned when you executed and delivered your proxy.

#### Quorum and Voting Information

The presence at the Annual Meeting of a majority of the votes of our common stock entitled to be cast, represented in person or by proxy, will constitute a quorum for the transaction of business at the Annual Meeting. Abstentions, or, with regard to the election of Directors, "WITHHOLD" votes, and broker "non-votes," if any, will be treated as present for purposes of determining the presence of a quorum.

If you are the beneficial owner of shares held in "street name" by a bank or broker, your bank or broker, as the record holder of the shares, must vote those shares in accordance with your instructions. Generally, in an uncontested election, and in accordance with the rules of the New York Stock Exchange (the "NYSE"), certain matters submitted to a vote of stockholders are considered by the NYSE to be "routine" items upon which brokerage firms may vote in their discretion on behalf of their customers if such customers have not furnished voting instructions within a specified period prior to the meeting. However, when a beneficial owner of shares held by a bank, broker or other nominee fails to provide the record holder with voting instructions, and such organization lacks the discretionary voting power to vote those shares with respect to a particular "non-routine" proposal, a "broker non-vote" occurs.

Given the contested nature of the election, if Snow Park mails proxy materials to a beneficial owner, the rules of the NYSE governing brokers' discretionary authority generally do not permit brokers to exercise discretionary authority regarding any of the proposals to be voted on at the Annual Meeting, whether "routine" or not. Thus, if you receive proxy materials from Snow Park and you do not give instructions to the organization holding your shares, then we do not expect that organization to be able to vote your shares and, consequently, the shares held by that organization would not be entitled to vote on any matter to be considered at the Annual Meeting. It is therefore important that you provide instructions to the organization holding your shares so that your vote with respect to the proposals to be voted on at the Annual Meeting is counted.

To vote your shares, you will need to follow the directions your bank, brokerage firm or other nominee provides you. You should instruct your bank, brokerage firm or other nominee to vote your shares by following the voting instructions provided by your bank, brokerage firm or other nominee. Please contact your bank, brokerage firm or other nominee for further information.

Proposal One – Election of Directors: Assuming a quorum, each of the seven (7) nominees for Director will be elected as Directors of the Company by a plurality of the votes cast in person or by proxy at the Annual Meeting. You may vote “FOR ALL” or “WITHHOLD ALL” for the nominees, or “FOR ALL EXCEPT” and specify the nominees from whom you withhold your vote. A properly executed proxy withheld with regard to the election of one

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or more Directors will not be voted with regard to the Director or Directors indicated. “Plurality” means that the seven (7) individuals who receive the greatest number of votes cast “FOR” are elected as Directors. Cumulative voting in the election of Directors is not permitted.

A decision to withhold your vote as to all nominees or to withhold your vote with respect to a specific nominee will not be counted in the votes cast in connection with Proposal One and will have no effect on the results of the vote on Proposal One.

THE BOARD DOES NOT ENDORSE ANY OF SNOW PARK’S NOMINEES AND UNANIMOUSLY RECOMMENDS THAT YOU DISREGARD ANY PROXY CARD OR SOLICITATION MATERIALS THAT MAY BE SENT TO YOU BY OR ON BEHALF OF SNOW PARK. VOTING TO “WITHHOLD” WITH RESPECT TO ANY SNOW PARK NOMINEE ON ITS PROXY CARD IS NOT THE SAME AS VOTING FOR THE NOMINEES OF THE COMPANY’S BOARD BECAUSE A VOTE TO “WITHHOLD” WITH RESPECT TO ANY SNOW PARK NOMINEE ON ITS PROXY CARD WILL REVOKE ANY PROXY YOU PREVIOUSLY SUBMITTED, INCLUDING ANY PROXY THAT YOU PREVIOUSLY SUBMITTED VOTING “FOR” THE BOARD’S NOMINEES.

Proposal Two - Ratification of Appointment of Independent Registered Public Accounting Firm: Assuming a quorum, the proposal to ratify the appointment of Ernst & Young LLP as our independent registered public accounting firm for the year ending December 31, 2019 requires the affirmative vote of a majority of the votes cast on the proposal at the Annual Meeting. You may vote “FOR” or “AGAINST” or “ABSTAIN” on Proposal Two.

Abstentions will not be counted in determining the votes cast in connection with Proposal Two and will have no effect on the results of the vote on Proposal Two.

Proposal Three – Approval of the Adoption of the 2019 Equity Incentive Plan: Assuming a quorum, the proposal to adopt the 2019 Equity Incentive Plan requires the affirmative vote of a majority of the votes cast on the proposal at the Annual Meeting. You may vote “FOR” or “AGAINST” or “ABSTAIN” on Proposal Three.

Abstentions and broker “non-votes” will not be counted in determining the votes cast in connection with Proposal Three and will have no effect on the results of the vote on Proposal Three.

Proposal Four - Approval, on an advisory basis, of the Compensation of the Company’s Named Executive Officers, as Disclosed in the Proxy Statement: Assuming a quorum, the proposal to approve the compensation of the Company’s named executive officers requires the affirmative vote of a majority of the votes cast on the proposal at the Annual Meeting. You may vote “FOR” or “AGAINST” or “ABSTAIN” on Proposal Four.

Abstentions and broker “non-votes” will not be counted in determining the votes cast in connection with Proposal Four and will have no effect on the results of the vote on Proposal Four.

The below table summarizes the voting requirements to elect Directors and to approve each of the proposals in this Proxy Statement:

Proposal	Vote Required
1. Election of Directors	Plurality of votes cast
2. Ratification of Ernst & Young LLP	Majority of votes cast
3. Approval of Adoption of 2019 Equity Incentive Plan	Majority of votes cast
4. Approval of executive compensation on an advisory basis	Majority of votes cast



## Board Recommendation

The Board recommends that you vote as follows:

• “FOR ALL” of the seven (7) nominees to the Board listed in this Proxy Statement and on the WHITE proxy card (Proposal One);

• “FOR” the ratification of the appointment of Ernst & Young LLP as our independent registered public accounting firm for the year ending December 31, 2019 (Proposal Two);

• “FOR” the approval of the adoption of the 2019 Equity Incentive Plan (Proposal Three); and

• “FOR” the approval, on an advisory basis, of the compensation of the Company’s named executive officers, as disclosed in the Proxy Statement (Proposal Four).

Any properly authorized proxy as to which no instructions are given will be voted in accordance with the foregoing recommendations.

## Costs of Solicitation

We will bear the cost of the solicitation of proxies by the Company. In addition to mail and e-mail, proxies may be solicited personally, via the Internet or by telephone or facsimile, by our Directors, officers and employees without additional compensation. We will reimburse brokers and other persons holding stock in their names, or in the names of nominees, for their expenses for forwarding proxy materials to principals and beneficial owners and obtaining their proxies. As a result of the potential proxy solicitation by Snow Park, we may incur additional costs in connection with our solicitation of proxies. Annex A sets forth information relating to certain of our Directors, officers and employees who are considered “participants” in this proxy solicitation under the rules of the Securities and Exchange Commission, by reason of their position or because they may be soliciting proxies on our behalf.

We have hired Innisfree M&A Incorporated (“Innisfree”), 501 Madison Avenue, 20th Floor, New York, NY 10022 to assist us in the solicitation of proxies for a fee of up to \$425,000 plus out-of-pocket expenses. Innisfree expects that approximately 40 of its employees will assist in the solicitation. Our expenses related to the solicitation of proxies from stockholders this year will significantly exceed those normally spent for an Annual Meeting. Such costs are expected to aggregate approximately \$1,500,000, of which approximately \$250,000 has been incurred to date.



## BACKGROUND OF THE SNOW PARK SOLICITATION

On November 16, 2018, the Company's Chief Executive Officer, George G. Ellison, had a telephone conversation with Mr. Jeffrey Pierce, Managing Partner of Snow Park, in response to an email request by Mr. Pierce. During this conversation, Mr. Pierce discussed his views on the Company's business strategy with Mr. Ellison.

On November 26, 2018, the Company received an email from Snow Park's outside counsel requesting to obtain the Company nominee questionnaire required pursuant to the Company's Bylaws for a stockholder to nominate candidates for election to the Board of Directors at the Annual Meeting.

On November 28, 2018, the Company provided a copy of its nominee questionnaire to Snow Park's outside counsel.

On December 20, 2018, the Company received correspondence from Snow Park stating its intention to nominate six potential candidates - Leland Abrams, Khalil Kanaan, George Lucaci, Ronald Mass, Lazar Nikolic and Mr. Pierce - for election to the Board of Directors at the Annual Meeting.

Over the next few weeks, outside counsel to both the Company and Snow Park shared correspondence regarding scheduling a meeting between representatives of the Company and representatives of Snow Park.

On January 8, 2019, Ms. Rochelle R. Dobbs, Chair of the Board of Directors, Mr. David B. Reiner, a director, and Mr. Ellison had a conference call with Mr. Pierce during which Mr. Pierce conveyed his views on the Company's business strategy.

On March 7, 2019, the Company received a letter from Snow Park notifying the Company of Snow Park's withdrawal of the nomination of Ronald Mass for election to the Company's Board of Directors at the Annual Meeting. Snow Park's letter did not provide any explanation as to why Mr. Mass's nomination was withdrawn.

ELECTION OF DIRECTORS

(Proposal One)

Our Charter and Bylaws provide that that the number of our Directors will be fixed by a majority of our entire Board of Directors but may not be fewer than the minimum required under the Maryland General Corporation Law, which is one, nor more than fifteen. Currently we have six (6) members of our Board of Directors.

The seven (7) nominees listed below for election as Directors at the Annual Meeting have been recommended by our Nomination/Governance Committee and nominated by our Board of Directors to serve on the Board until the 2020 Annual Meeting of Stockholders and/or until their successors are duly elected and qualified. Assuming a quorum, the seven (7) nominees for Director will be elected as Directors by a plurality of the votes cast in person or by proxy at the Annual Meeting. All of the Company’s nominees currently serve as our Directors. There are no arrangements or understandings between any of the Company’s nominees and any other person for selection as a nominee.

If any of the Company’s nominees are unable or unwilling to stand for election at the time of the Annual Meeting, the person or persons appointed as proxies will vote for a replacement nominee or nominees recommended by our Board of Directors. At this time, our Board of Directors knows of no reason why any of the Company’s nominees would not be able or willing to serve as a Director if elected.

THE BOARD OF DIRECTORS RECOMMENDS THAT YOU VOTE “FOR ALL” OF THE BOARD’S NOMINEES TO BE ELECTED AND TO SERVE AS DIRECTORS OF THE COMPANY UNTIL OUR 2020 ANNUAL MEETING AND/OR UNTIL THEIR SUCCESSORS ARE ELECTED AND QUALIFIED. IT IS INTENDED THAT THE WHITE PROXIES WILL BE VOTED FOR THE SEVEN BOARD NOMINEES SET FORTH IN THIS PROPOSAL. THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS USING THE ENCLOSED WHITE PROXY CARD TO VOTE “FOR ALL” OF THE BOARD’S SEVEN NOMINEES FOR DIRECTOR.

Nominees for Director

The following table sets forth certain information concerning our nominees for Director as of the date hereof:

Name	Age	Director Since	Audit Committee	Compensation Committee	Nom Governance Committee
Rochelle R. Dobbs	57	2016	X		X (1)
George G. Ellison	60	2015			
Michael A. Eruzione	Where can I find out more about the Underlying Company?				
	Because the Underlying Shares are registered under the Securities Exchange Act of 1934, as amended, each Underlying Company is required to file periodically certain financial and other information specified by the Commission which is available to the public. You should read “Public Information Regarding the Underlying Shares” in this Term Sheet to learn how to obtain public information regarding the Underlying Shares and other important information. The historical				

highest intra-day price, lowest intra-day price and last day closing price of the Underlying Shares are set forth under the heading “Public Information Regarding the Underlying Shares” in this Term Sheet.

What if I have more questions?

You should read “Description of Securities” in the accompanying Product Supplement No. 1-I for a detailed description of the terms of the Securities. ABN AMRO has filed a registration statement (including a Prospectus and Prospectus Supplement) with the SEC for the offering to which this

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communication relates. Before you invest, you should read the Prospectus and Prospectus Supplement in that registration statement and other documents ABN AMRO has filed with the SEC for more complete information about ABN AMRO and the offering of the Securities. You may get these documents for free by visiting EDGAR on the SEC web site at [www.sec.gov](http://www.sec.gov). Alternatively, ABN AMRO, any underwriter or any dealer participating in the offering will arrange to send you the Prospectus and Prospectus Supplement if you request it by calling toll free (866) 747-4332.

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## RISK FACTORS

You should carefully consider the risks of the Securities to which this Term Sheet relates and whether these Securities are suited to your particular circumstances before deciding to purchase them. It is important that prior to investing in these Securities you read the Product Supplement No. 1-I related to such Securities and the accompanying Prospectus and Prospectus Supplement to understand the actual terms of and the risks associated with the Securities. In addition, we urge you to consult with your investment, legal, accounting, tax and other advisors with respect to any investment in the Securities.

### Credit Risk

The Securities are issued by ABN AMRO and guaranteed by ABN AMRO Holding N.V., ABN AMRO's parent company. As a result, investors in the Securities assume the credit risk of ABN AMRO and that of ABN AMRO Holding N.V. in the event that ABN AMRO defaults on its obligations under the Securities. Any obligations or Securities sold, offered, or recommended are not deposits of ABN AMRO and are not endorsed or guaranteed by any bank or thrift, nor are they insured by the FDIC or any governmental agency. The Securities are not guaranteed under the Federal Deposit Insurance Corporation's Temporary Liquidity Guarantee Program.

### Principal Risk

The Securities are not ordinary debt securities: they are not principal protected. In addition, if the closing price of the applicable Underlying Shares falls below the applicable knock-in level on any trading day during the knock-in period, investors in the Securities will be exposed to any decline in the price of the applicable Underlying Shares below the closing price of the applicable Underlying Shares on the date the Securities were priced. Accordingly, you may lose some or all of your initial principal investment in the Securities.

### Limited Return

The amount payable under the Securities will never exceed the original face amount of the Securities plus the applicable aggregate fixed coupon payment investors earn during the term of the Securities. This means that you will not benefit from any price appreciation in the applicable Underlying Shares, nor will you receive dividends paid on the applicable Underlying Shares, if any. Accordingly, you will never receive at maturity an amount greater than a predetermined amount per Security, regardless of how much the price of the applicable Underlying Shares may increase during the term of the Securities or on the determination date. The return on a Security may be significantly less than the return on a direct investment in the applicable Underlying Shares to which the Security is linked during the term of the Security.

### Liquidity Risk

The Securities will not be listed on any securities exchange. Accordingly, there may be little or no secondary market for the Securities and information regarding independent market pricing of the Securities may be very limited or non-existent. The value of the Securities in the secondary market, if any, will be subject to many unpredictable factors, including then prevailing market conditions.

It is important to note that many factors will contribute to the secondary market value of the Securities, and you may not receive your full principal back if the Securities are sold prior to maturity. Such factors include, but are not limited to, time to maturity, the price of the applicable Underlying Shares, volatility and interest rates.

In addition, the price, if any, at which we or another party are willing to purchase Securities in secondary market transactions will likely be lower than the issue price, since the issue price included, and secondary market prices are likely to exclude, commissions, discounts or mark-ups paid with respect to the Securities, as well as the cost of hedging our obligations under the Securities.

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### Holdings of the Securities by Our Affiliates and Future Sales

Certain of our affiliates may agree to purchase for investment the portion of the Securities that has not been purchased by investors in a particular offering of Securities, which initially they intend to hold for investment purposes. As a result, upon completion of such an offering, our affiliates may own up to 15% of the aggregate face amount of the Securities. Circumstances may occur in which our interests or those of our affiliates could be in conflict with your interests. For example, our affiliates may attempt to sell the Securities that they had been holding for investment purposes at the same time that you attempt to sell your Securities, which could depress the price, if any, at which you can sell your Securities. Moreover, the liquidity of the market for the Securities, if any, could be substantially reduced as a result of our affiliates holding the Securities. In addition, our affiliates could have substantial influence over any matter subject to consent of the security holders.

### Potential Conflicts of Interest

We and our affiliates play a variety of roles in connection with the issuance of the Securities, including acting as calculation agent. In performing these duties, the economic interests of the calculation agent and other affiliates of ours are potentially adverse to your interests as an investor in the Securities. We and our affiliates may carry out hedging activities that minimize our risks related to the Securities, including trading in any of the Underlying Shares. In particular, on or prior to the date of this Term Sheet, we, through our affiliates, may have hedged our anticipated exposure in connection with the Securities by taking positions in the Underlying Shares, options contracts on Underlying Shares listed on major securities markets, and/or other instruments that we deemed appropriate in connection with such hedging. Our purchase activity, however, could potentially have increased the initial price of the applicable Underlying Shares, and therefore increased the applicable knock-in level, below which we would be required to deliver to you at maturity applicable Underlying Shares, which, in turn, would have a value less than the face amount of your Securities.

### No Affiliation with the Underlying Company

The Underlying Companies are not affiliates of ours and are not involved with this offering in any way. The obligations represented by the Securities are our obligations, not those of the Underlying Companies. Investing in the Securities is not equivalent to investing in any of the Underlying Shares. Neither we nor Holding nor any of our affiliates have any affiliation with any of the Underlying Companies, and are not responsible for any Underlying Company's public disclosure of information, whether contained in SEC filings or otherwise.

### Uncertain Tax Treatment

You should review carefully the section of the accompanying Product Supplement entitled “U.S. Federal Income Tax Consequences.” Although the tax consequences of an investment in the Securities are unclear, we believe that it is reasonable to treat a Security for U.S. federal income tax purposes as a put option (the “Put Option”), written by you to us with respect to the Underlying Shares, secured by a cash deposit equal to the face amount of the Security (the “Deposit”). Under this treatment, less than the full amount of each coupon payment will be attributable to the interest on the Deposit, and the excess of each coupon payment over the portion of the coupon payment attributable to the interest on the Deposit will represent a portion of the option premium attributable to your grant of the Put Option (the “Put Premium,” and collectively for all coupon payments received, “Put Premiums”). Interest on the Deposit generally will be treated as ordinary income on indebtedness while the Put Premium will not be taken into account prior to sale, exchange or maturity of the Securities. The cover of the Term Sheet reflects our preliminary determination of the rate of interest paid on the Deposit and the amount of the Put Premiums.

Due to the absence of authorities that directly address instruments that are similar to the Securities, significant aspects of the U.S. federal income tax consequences of an investment in the Securities are uncertain. We do not plan to request a ruling from the Internal Revenue Service (the “IRS”), and the IRS or a court might not agree with the tax treatment described in this Term Sheet and the accompanying Product Supplement. If the IRS were successful in asserting an alternative treatment for the Securities,

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the tax consequences of the ownership and disposition of the Securities could be affected materially and adversely.

In December 2007, the Treasury and the IRS released a notice requesting comments on various issues regarding the U.S. federal income tax treatment of “prepaid forward contracts” and similar instruments. While it is not clear whether the Securities would be viewed as similar to the typical prepaid forward contract described in the notice, any Treasury regulations or other guidance promulgated after consideration of these issues could materially and adversely affect the tax consequences of an investment in the Securities, possibly with retroactive effect.

Both U.S. and non-U.S. holders should consult their tax advisers regarding all aspects of the U.S. federal tax consequences of investing in the Securities (including possible alternative treatments and the issues presented by the December 2007 notice), as well as any tax consequences arising under the laws of any state, local or non-U.S. taxing jurisdiction.

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Hypothetical Sensitivity Analysis of Total Return of the Securities at Maturity

The following tables set out the total return to maturity of a Security, based on the assumptions outlined below and several variables, which include (a) whether the closing price of the Underlying Shares has fallen below the knock-in level on any trading day during the knock-in period and (b) several hypothetical closing prices for the Underlying Shares on the determination date. The information in the tables is based on hypothetical market values for the Underlying Shares. We cannot predict the market price or the closing price of the Underlying Shares on the determination date or at any time during the term of the Securities. The assumptions expressed below are for illustrative purposes only and the returns set forth in the table may or may not be the actual rates applicable to a purchaser of the Securities.

Assumptions

Hypothetical initial price:	\$45.00
Hypothetical knock-in level:	\$36.00 (80% of the hypothetical initial price)
Hypothetical annual interest on the security:	10.00% per annum or 5.00% over the life of the hypothetical security
Hypothetical term of the Security:	6 months
Hypothetical exchange factor:	1.0 (we have assumed that no market disruption event occurs and the calculation agent does not need to adjust the exchange factor for any adjustment events during the term of the Securities).

Payment at maturity if the closing price of the Underlying Shares falls below the knock-in level on any trading day during the knock-in period:

Assumed Underlying Shares Closing Price on Determination Date	Hypothetical Value of Payment at Maturity(a)	Hypothetical Total Coupon (Payable in Six Monthly Coupon Payments)(c)	Hypothetical Total Return(b) over the life of the security	Hypothetical Total Return(b) over the life of the security
			\$	%
\$45.00 or greater	\$1,000.00	\$50.00	\$1,050.00	5.00%
\$43.88	\$ 975.10	\$50.00	\$1,025.10	2.51%
\$42.75	\$ 949.99	\$50.00	\$ 999.99	0.00%
\$41.85	\$ 929.99	\$50.00	\$ 979.99	-2.00%

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\$39.97	\$ 888.21	\$50.00	\$ 938.21	-6.18%
\$37.97	\$ 843.77	\$50.00	\$ 893.77	-10.62%
\$30.38	\$ 675.10	\$50.00	\$ 725.10	-27.49%
\$21.27	\$ 472.66	\$50.00	\$ 522.66	-47.73%
\$10.64	\$ 236.44	\$50.00	\$ 286.44	-71.36%
\$ 5.32	\$ 118.22	\$50.00	\$ 168.22	-83.18%
\$ 0.00	\$ 0.00	\$50.00	\$ 50.00	-95.00%

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Payment at maturity if the closing price of the Underlying Shares never falls below the knock-in level on any trading day during the knock-in period:

Assumed Underlying Shares Closing Price on Determination Date	Hypothetical Value of Payment at Maturity(a)	Hypothetical Total Coupon (Payable in Six Monthly Payments)(c)	Hypothetical Total Return(b) over the life of the security	
			\$	%
\$45.00 or greater	\$1,000.00	\$50.00	\$1,050.00	5.00%
\$40.50	\$1,000.00	\$50.00	\$1,050.00	5.00%
\$38.48	\$1,000.00	\$50.00	\$1,050.00	5.00%
\$36.00	\$1,000.00	\$50.00	\$1,050.00	5.00%

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(a) Based on the assumptions set forth above, if the closing price of the Underlying Shares falls below \$36.00 on any trading day during the knock-in period and, in addition, the closing price of the Underlying Shares is less than \$45.00 on the determination date, the payment at maturity will be made in Underlying Shares. For determining the value of the payment at maturity, we have assumed that the closing price of the Underlying Shares will be the same on the maturity date as on the determination date.

(b) The total return presented is exclusive of any tax consequences of owning the Securities. You should consult your tax advisor regarding whether owning the Securities is appropriate for your tax situation. See the sections titled “Risk Factors” in this Term Sheet and the accompanying Product Supplement No. 1-I and “United States Federal Taxation” and “Taxation in the Netherlands” in the accompanying Prospectus Supplement.

(c) Coupons on the Securities will be computed on the basis of a 360-day year of twelve 30-day months or, in the case of an incomplete month, the number of actual days elapsed. Accordingly, depending on the number of days in any monthly coupon payment period, the coupon payable in such period and, consequently, the total coupons payable over the term of the Securities, may be less than the amount reflected in this column.

(d) Based on the assumptions set forth above, if the closing price of the Underlying Shares never falls below \$36.00 on any trading day during the knock-in period, the payment at maturity will be made in cash.

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PUBLIC INFORMATION REGARDING THE UNDERLYING  
SHARES

The Underlying Shares are shares of the Common Stock of the Underlying Companies set forth on the following pages. The Underlying Shares are registered under the Securities Exchange Act of 1934, as amended, which we refer to as the “Exchange Act.” Companies with securities registered under the Exchange Act are required periodically to file certain financial and other information specified by the Securities and Exchange Commission, which we refer as the “Commission.” Information provided to or filed with the Commission can be inspected and copied at the public reference facilities maintained by the Commission at 100 F Street, N.E., Washington, D.C. 20549. Copies of this material can also be obtained from the Public Reference Room of the Commission at 100 F Street, N.E., Washington, D.C. 20549 at prescribed rates. Please call the Commission at 1-800-SEC-0330 for further information about the Public Reference Room. In addition, information provided to or filed with the Commission electronically can be accessed through a website maintained by the Commission. The address of the Commission’s website is <http://www.sec.gov>. Information provided to or filed with the Commission by each of the Underlying Companies pursuant to the Exchange Act can be located by reference to the applicable Commission file number provided in the information below.

In addition, information regarding the Underlying Companies may be obtained from other sources including, but not limited to, press releases, newspaper articles and other publicly disseminated documents. We make no representation or warranty as to the accuracy or completeness of such reports.

This Term Sheet relates only to the Securities offered by us and does not relate to any of the Underlying Shares or other securities of the Underlying Companies. We will derive all disclosures contained in this Term Sheet regarding the Underlying Companies from the publicly available documents described above. Neither we nor Holding nor the agents have participated in the preparation of such documents or made any due diligence inquiry with respect to the Underlying Companies in connection with the offering of the Securities. Neither we nor Holding nor the agents make any representation that such publicly available documents or any other publicly available information regarding the Underlying Companies are accurate or complete. Furthermore, neither we nor Holding can give any assurance that all events occurring prior to the date of this Term Sheet (including events that would affect the accuracy or completeness of the publicly available documents described above) that would affect the trading price of the applicable Underlying Shares (and therefore the applicable initial price, knock-in level and redemption amount) have been publicly disclosed. Subsequent disclosure of any such events or the disclosure of or failure to disclose material future events concerning any of the Underlying Companies could affect the value you will receive on the maturity date with respect to the

Securities and therefore the trading prices of the applicable Securities. Neither we nor Holding nor any of our affiliates have any obligation to disclose any information about any of the Underlying Companies after the date of this Term Sheet.

Neither we nor Holding nor any of our affiliates makes any representation to you as to the performance of any of the Underlying Shares.

We and/or our affiliates may presently or from time to time engage in business with any of the Underlying Companies, including extending loans to, or making equity investments in, or providing advisory services to any of the Underlying Companies, including merger and acquisition advisory services. In the course of such business, we and/or our affiliates may acquire non-public information with respect to any of the Underlying Companies and, in addition, one or more of our affiliates may publish research reports with respect to any of the Underlying Companies. The statement in the preceding sentence is not intended to affect the rights of holders of the Securities under the securities laws. As a prospective purchaser of a Security, you should undertake such independent investigation of the applicable Underlying Company as in your judgment is appropriate to make an informed decision with respect to an investment in the applicable Underlying Shares.

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First Solar, Inc.

According to publicly available documents, First Solar, Inc., which we refer to as “First Solar” designs and manufactures solar modules using proprietary thin film semiconductor technology. First Solar’s SEC file number is 001-33156.

#### Historical Information

The common stock of First Solar is traded on The NASDAQ Stock Market LLC, under the symbol “FSLR”. The following table sets forth the published highest intra-day price for the quarter, lowest intra-day price for the quarter and last day closing price for the quarter of the common stock of First Solar since the fourth quarter of 2006, when the shares were first listed. The closing price for each share of common stock on October 2, 2009 was \$150.00.

Period	High Intra-day Price	Low Intra-day Price	Last Day Closing Price
2006			
Fourth Quarter	\$ 30.00	\$ 23.59	\$ 29.80
2007			
First Quarter	\$ 59.88	\$ 27.54	\$ 52.01
Second Quarter	\$ 91.10	\$ 52.10	\$ 89.29
Third Quarter	\$123.21	\$ 74.77	\$117.74
Fourth Quarter	\$283.00	\$119.95	\$267.14
2008			
First Quarter	\$272.47	\$143.34	\$231.14
Second Quarter	\$317.00	\$232.20	\$272.82
Third Quarter	\$301.30	\$176.07	\$188.91
Fourth Quarter	\$202.88	\$ 85.28	\$137.96
2009			
First Quarter	\$165.20	\$100.93	\$132.70
Second Quarter	\$207.51	\$129.90	\$162.12
Third Quarter	\$176.00	\$112.12	\$152.86
Fourth Quarter (through October 2, 2009)	\$157.15	\$143.55	\$150.00

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## Wells Fargo &amp; Company

According to publicly available documents, Wells Fargo & Company, which we refer to as “Wells Fargo,” is a financial holding company providing retail, commercial and corporate banking services. Wells Fargo’s SEC file number is 001-2979.

## Historical Information

The Common Stock of Wells Fargo is traded on the NYSE under the symbol “WFC”. The following table sets forth the published highest intra-day price for the quarter, lowest intra-day price for the quarter and last day closing price for the quarter of the Common Stock of Wells Fargo since 2004. The closing price for each share of common stock on October 2, 2009 was \$26.28.

Period	High Intra-day Price	Low Intra-day Price	Last Day Closing Price
2004			
First Quarter	\$29.49	\$27.99	\$28.34
Second Quarter	\$29.86	\$27.16	\$28.62
Third Quarter	\$29.93	\$28.06	\$29.82
Fourth Quarter	\$31.69	\$28.78	\$31.08
2005			
First Quarter	\$31.38	\$29.13	\$29.90
Second Quarter	\$31.08	\$28.89	\$30.79
Third Quarter	\$31.44	\$29.00	\$29.29
Fourth Quarter	\$32.35	\$28.82	\$31.42
2006			
First Quarter	\$32.75	\$30.31	\$31.94
Second Quarter	\$34.86	\$31.90	\$33.54
Third Quarter	\$36.89	\$33.36	\$36.18
Fourth Quarter	\$36.99	\$34.90	\$35.56
2007			
First Quarter	\$36.64	\$33.01	\$34.43
Second Quarter	\$36.49	\$33.93	\$35.17
Third Quarter	\$37.99	\$32.67	\$35.62
Fourth Quarter	\$37.78	\$29.29	\$30.19
2008			
First Quarter	\$34.56	\$24.42	\$29.10
Second Quarter	\$32.34	\$23.46	\$23.75
Third Quarter	\$42.50	\$20.46	\$37.53

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Fourth Quarter 2009	\$38.95	\$19.90	\$29.48
First Quarter	\$30.09	\$7.80	\$14.24
Second Quarter	\$28.45	\$13.65	\$24.26
Third Quarter	\$29.56	\$22.08	\$28.18
Fourth Quarter (through October 2, 2009)	\$28.68	\$26.04	\$26.28

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## Chesapeake Energy Corporation

According to publicly available documents, Chesapeake Energy Corporation, which we refer to as “Chesapeake,” is an independent producer of natural gas in the United States. Chesapeake’s SEC file number is 1-13726.

## Historical Information

The common stock of Chesapeake is traded on the NYSE under the symbol “CHK”. The following table sets forth the published highest intra-day price for the quarter, lowest intra-day price for the quarter and last day closing price for the quarter of the common stock of Chesapeake since 2004. The closing price for each share of common stock on October 2, 2009 was \$26.70.

	High Intra-Day Period Price	Low Intra--Day Price	Last Day Closing Price
2004			
First Quarter	\$13.98	\$11.71	\$13.40
Second Quarter	\$15.05	\$12.69	\$14.72
Third Quarter	\$16.24	\$13.69	\$15.83
Fourth Quarter	\$18.31	\$15.18	\$16.50
2005			
First Quarter	\$23.64	\$15.06	\$21.94
Second Quarter	\$23.98	\$17.85	\$22.80
Third Quarter	\$38.98	\$22.90	\$38.25
Fourth Quarter	\$40.01	\$26.62	\$31.73
2006			
First Quarter	\$35.57	\$27.80	\$31.41
Second Quarter	\$33.75	\$26.81	\$30.25
Third Quarter	\$33.76	\$28.07	\$28.98
Fourth Quarter	\$34.27	\$27.92	\$29.05
2007			
First Quarter	\$31.83	\$27.27	\$30.88
Second Quarter	\$37.75	\$30.88	\$34.60
Third Quarter	\$37.15	\$31.38	\$35.26
Fourth Quarter	\$41.19	\$35.25	\$39.20
2008			
First Quarter	\$49.83	\$34.44	\$46.15
Second Quarter	\$68.10	\$45.26	\$65.96
Third Quarter	\$73.89	\$31.19	\$35.86

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Fourth Quarter	\$35.43	\$ 9.84	\$16.17
2009			
First Quarter	\$20.13	\$13.28	\$17.06
Second Quarter	\$24.66	\$16.45	\$19.83
Third Quarter	\$29.49	\$16.92	\$28.40
Fourth Quarter (through October 2, 2009)	\$28.94	\$25.30	\$26.70

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## Deere &amp; Company

According to publicly available documents, Deere & Company, which we refer to as “Deere,” is a manufacturer and distributor of farm equipment including tractors and combines, commercial and consumer equipment such as tractors and mowers; construction and forestry equipment for earthmoving and timber harvesting. Deere also finances and leases new and used equipment. Deere’s SEC file number is 1-4121.

## Historical Information

The common stock of Deere is traded on the NYSE under the symbol “DE.” The following table sets forth the published highest intra-day price for the quarter, lowest intra-day price for the quarter and last day closing price for the quarter of the common stock of Deere since 2004. The closing price for each share of common stock on October 2, 2009 was \$41.13

Period	High Intra-day Price	Low Intra-day Price	Last Day Closing Price
2004			
First Quarter	\$34.98	\$30.00	\$34.66
Second Quarter	\$37.47	\$31.00	\$35.07
Third Quarter	\$35.00	\$28.61	\$32.28
Fourth Quarter	\$37.37	\$28.38	\$37.20
2005			
First Quarter	\$37.13	\$32.60	\$33.57
Second Quarter	\$34.70	\$29.35	\$32.75
Third Quarter	\$36.99	\$29.93	\$30.60
Fourth Quarter	\$35.50	\$28.50	\$34.06
2006			
First Quarter	\$40.00	\$33.81	\$39.53
Second Quarter	\$45.99	\$38.21	\$41.75
Third Quarter	\$42.49	\$33.48	\$41.96
Fourth Quarter	\$50.59	\$41.51	\$47.54
2007			
First Quarter	\$58.24	\$45.12	\$54.32
Second Quarter	\$62.82	\$51.59	\$60.37
Third Quarter	\$74.95	\$56.96	\$74.21
Fourth Quarter	\$93.72	\$70.18	\$93.12
2008			
First Quarter	\$94.71	\$71.65	\$80.44

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Second Quarter	\$94.88	\$70.18	\$72.13
Third Quarter	\$73.84	\$46.18	\$49.50
Fourth Quarter	\$49.00	\$28.55	\$38.32
2009			
First Quarter	\$46.73	\$24.52	\$32.87
Second Quarter	\$47.98	\$31.88	\$39.95
Third Quarter	\$47.03	\$34.91	\$42.92
Fourth Quarter (through October 2, 2009)	\$43.70	\$40.29	\$41.13

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## General Electric Company

According to publicly available documents, General Electric Company, which we refer to as “General Electric,” is a diversified industrial, technology, media, and financial services corporation with products and services ranging from aircraft engines, power generation, water processing, and security technology to medical imaging, business and consumer financing, media content and industrial products. General Electric’s SEC file number is 001-00035.

## Historical Information

The common stock of General Electric is traded on the NYSE under the symbol “GE”. The following table sets forth the published highest intra-day price for the quarter, lowest intra-day price for the quarter and last day closing price for the quarter of the common stock of General Electric since 2004. The closing price for each share of common stock on October 2, 2009 was \$15.36.

Period	High Intra-day Price	Low Intra-day Price	Last Day Closing Price
2004			
First Quarter	\$34.56	\$28.88	\$30.52
Second Quarter	\$33.49	\$29.55	\$32.40
Third Quarter	\$34.53	\$31.43	\$33.58
Fourth Quarter	\$37.72	\$32.66	\$36.50
2005			
First Quarter	\$36.88	\$34.97	\$36.06
Second Quarter	\$37.34	\$34.15	\$34.65
Third Quarter	\$35.78	\$32.85	\$33.67
Fourth Quarter	\$36.33	\$32.67	\$35.05
2006			
First Quarter	\$35.55	\$32.22	\$34.78
Second Quarter	\$35.24	\$32.78	\$32.96
Third Quarter	\$35.65	\$32.06	\$35.30
Fourth Quarter	\$38.49	\$34.62	\$37.21
2007			
First Quarter	\$38.28	\$33.90	\$35.36
Second Quarter	\$39.77	\$34.55	\$38.28
Third Quarter	\$42.07	\$36.20	\$41.40
Fourth Quarter	\$42.15	\$36.07	\$37.07
2008			

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First Quarter	\$37.74	\$31.65	\$37.01
Second Quarter	\$38.52	\$26.16	\$26.69
Third Quarter	\$30.39	\$22.19	\$25.50
Fourth Quarter	\$25.75	\$12.58	\$16.20
2009			
First Quarter	\$17.22	\$ 5.87	\$10.11
Second Quarter	\$14.55	\$ 9.80	\$11.72
Third Quarter	\$17.52	\$10.50	\$16.42
Fourth Quarter (through October 2, 2009)	\$16.85	\$15.15	\$15.36

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We obtained the prices listed in the tables above from Bloomberg Financial Markets without independent verification. You should not take the historical prices of any of the Underlying Shares as an indication of future performance. Neither we nor Holding can give any assurance that the price of any of the Underlying Shares will not decrease, such that we will deliver the applicable Underlying Shares at maturity.

Neither we nor ABN AMRO Holding N.V. make any representation as to the amount of dividends, if any, that any of the Underlying Companies will pay in the future. In any event, as a holder of a Security, you will not be entitled to receive dividends, if any, that may be payable on any of the Underlying Shares.

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PLAN OF DISTRIBUTION (CONFLICTS OF INTEREST)

We have appointed RBS Securities Inc. (“RBSSI”) as agent for any offering of the Securities. RBSSI has agreed to use reasonable efforts to solicit offers to purchase the Securities. We will pay RBSSI, in connection with sales of the Securities resulting from a solicitation such agent made or an offer to purchase such agent received, a commission of 2.25% of the initial offering price of the Securities. RBSSI has informed us that, as part of its distribution of the Securities, it intends to reoffer the Securities to other dealers who will sell the Securities. Each such dealer engaged by RBSSI, or further engaged by a dealer to whom RBSSI reoffers the Securities, will purchase the Securities at an agreed discount to the initial offering price of the Securities. RBSSI has informed us that such discounts may vary from dealer to dealer and that not all dealers will purchase or repurchase the Securities at the same discount. You can find a general description of the commission rates payable to the agents under “Plan of Distribution” in the accompanying Product Supplement No. 1-I.

RBSSI is an affiliate of ours and ABN AMRO Holding N.V. RBSSI will conduct this offering in compliance with the requirements of NASD Rule 2720 of the Financial Industry Regulatory Authority, which is commonly referred to as FINRA, regarding a FINRA member firm’s distributing the securities of an affiliate. Following the initial distribution of any of these Securities, RBSSI may offer and sell those Securities in the course of its business as a broker-dealer. RBSSI may act as principal or agent in those transactions and will make any sales at varying prices related to prevailing market prices at the time of sale or otherwise. RBSSI may use this Term Sheet and the accompanying Prospectus and Prospectus Supplement No. 3 in connection with any of those transactions. RBSSI is not obligated to make a market in any of these Securities and may discontinue any market-making activities at any time without notice.

RBSSI or an affiliate of RBSSI will enter into one or more hedging transactions with us in connection with this offering of Securities. See “Use of Proceeds” in the accompanying Product Supplement No. 1-I.

To the extent that the total aggregate face amount of the Securities being offered by this Term Sheet is not purchased by investors in the offering, one or more of our affiliates has agreed to purchase the unsold portion, and to hold such Securities for investment purposes. See “Holdings of the Securities by our Affiliates and Future Sales” under the heading “Risk Factors” in this Term Sheet.

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