

OCWEN FINANCIAL CORP  
Form SC 13D/A  
August 06, 2015

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

SCHEDULE 13D  
(Rule 13d-101)

INFORMATION TO BE INCLUDED IN STATEMENTS FILED PURSUANT  
TO § 240.13d-1(a) AND AMENDMENTS THERETO FILED PURSUANT TO  
§ 240.13d-2(a)

(Amendment No. 1)1

(Name of Issuer) Ocwen Financial Corporation

Common Stock, \$0.01 par value  
(Title of Class of Securities)

675746309  
(CUSIP Number)

(Name, Address and Telephone Number of Person  
Authorized to Receive Notices and Communications)  
STEVE WOLOSKY, ESQ.  
OLSHAN FROME WOLOSKY LLP  
Park Avenue Tower  
65 East 55th Street  
New York, New York 10022  
(212) 451-2300

August 4, 2015  
(Date of Event Which Requires Filing of This Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of §§ 240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box " .

Note: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See § 240.13d-7 for other parties to whom copies are to be sent.

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1 The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be “filed” for the purpose of Section 18 of the Securities Exchange Act of 1934 (“Act”) or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

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CUSIP NO. 675746309

1 NAME OF REPORTING PERSON

KINGSTOWN PARTNERS MASTER LTD.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)  (b)

3 SEC USE ONLY

4 SOURCE OF FUNDS

WC

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

CAYMAN ISLANDS

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER
		- 0 -
	8	SHARED VOTING POWER
	9	8,799,052 SOLE DISPOSITIVE POWER
	10	- 0 - SHARED DISPOSITIVE POWER

8,799,052

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

8,799,052\*

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

7.02%\*

14 TYPE OF REPORTING PERSON

CO

\* Possesses economic exposure to an aggregate of 9,769,952 shares (representing approximately 7.79% of the outstanding shares) due to certain cash-settled total return swap agreements as further explained in Item 6.

CUSIP NO. 675746309

1 NAME OF REPORTING PERSON

KINGSTOWN PARTNERS II, L.P.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)   
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS

WC

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

DELAWARE

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER
		- 0 -
	8	SHARED VOTING POWER
		1,699,374
	9	SOLE DISPOSITIVE POWER
		- 0 -
	10	SHARED DISPOSITIVE POWER
		1,699,374

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

1,699,374\*

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

1.36%\*

14 TYPE OF REPORTING PERSON

PN

\* Possesses economic exposure to an aggregate of 2,007,874 shares (representing approximately 1.60% of the outstanding shares) due to certain cash-settled total return swap agreements as further explained in Item 6.

CUSIP NO. 675746309

1 NAME OF REPORTING PERSON

KTOWN, LP

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)  (b)

3 SEC USE ONLY

4 SOURCE OF FUNDS

WC

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

DELAWARE

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER
		- 0 -
	8	SHARED VOTING POWER
		2,001,574
	9	SOLE DISPOSITIVE POWER
		- 0 -
	10	SHARED DISPOSITIVE POWER
		2,001,574

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

2,001,574\*

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

1.60%\*

14 TYPE OF REPORTING PERSON

PN

\* Possesses economic exposure to an aggregate of 2,222,174 shares (representing approximately 1.77% of the outstanding shares) due to certain cash-settled total return swap agreements as further explained in Item 6.

CUSIP NO. 675746309

1 NAME OF REPORTING PERSON

KINGSTOWN CAPITAL PARTNERS, LLC

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)  (b)

3 SEC USE ONLY

4 SOURCE OF FUNDS

AF

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

DELAWARE

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER
	8	- 0 - SHARED VOTING POWER
	9	12,500,000 SOLE DISPOSITIVE POWER
	10	- 0 - SHARED DISPOSITIVE POWER

12,500,000

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

12,500,000\*

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

9.97%\*

14 TYPE OF REPORTING PERSON

OO

\* Possesses economic exposure to an aggregate of 14,000,000 shares (representing approximately 11.17% of the outstanding shares) due to certain cash-settled total return swap agreements as further explained in Item 6.

CUSIP NO. 675746309

1 NAME OF REPORTING PERSON

KINGSTOWN CAPITAL MANAGEMENT L.P.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)  (b)

3 SEC USE ONLY

4 SOURCE OF FUNDS

AF

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

DELAWARE

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER
		- 0 -
	8	SHARED VOTING POWER
		12,500,000
	9	SOLE DISPOSITIVE POWER
		- 0 -
	10	SHARED DISPOSITIVE POWER
		12,500,000

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

12,500,000\*

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

9.97%\*

14 TYPE OF REPORTING PERSON

PN

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\* Possesses economic exposure to an aggregate of 14,000,000 shares (representing approximately 11.17% of the outstanding shares) due to certain cash-settled total return swap agreements as further explained in Item 6.

CUSIP NO. 675746309

1 NAME OF REPORTING PERSON

KINGSTOWN MANAGEMENT GP LLC

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)  (b)

3 SEC USE ONLY

4 SOURCE OF FUNDS

AF

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

DELAWARE

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER
		- 0 -
	8	SHARED VOTING POWER
		12,500,000
	9	SOLE DISPOSITIVE POWER
		- 0 -
	10	SHARED DISPOSITIVE POWER
		12,500,000

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

12,500,000\*

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

9.97%\*

14 TYPE OF REPORTING PERSON

OO

\* Possesses economic exposure to an aggregate of 14,000,000 shares (representing approximately 11.17% of the outstanding shares) due to certain cash-settled total return swap agreements as further explained in Item 6.

CUSIP NO. 675746309

1 NAME OF REPORTING PERSON

MICHAEL BLITZER

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)  (b)

3 SEC USE ONLY

4 SOURCE OF FUNDS

AF

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

USA

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER
		- 0 -
	8	SHARED VOTING POWER
		12,500,000
	9	SOLE DISPOSITIVE POWER
		- 0 -
	10	SHARED DISPOSITIVE POWER
		12,500,000

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

12,500,000\*

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

9.97%\*

14 TYPE OF REPORTING PERSON

IN

\* Possesses economic exposure to an aggregate of 14,000,000 shares (representing approximately 11.17% of the outstanding shares) due to certain cash-settled total return swap agreements as further explained in Item 6.

CUSIP NO. 675746309

1 NAME OF REPORTING PERSON

GUY SHANON

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)  (b)

3 SEC USE ONLY

4 SOURCE OF FUNDS

AF

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

USA

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER
	8	- 0 - SHARED VOTING POWER
	9	12,500,000 SOLE DISPOSITIVE POWER
	10	- 0 - SHARED DISPOSITIVE POWER
		12,500,000

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

12,500,000\*

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11)  EXCLUDES CERTAIN SHARES

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

9.97%\*

14 TYPE OF REPORTING PERSON

IN

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\* Possesses economic exposure to an aggregate of 14,000,000 shares (representing approximately 11.17% of the outstanding shares) due to certain cash-settled total return swap agreements as further explained in Item 6.

CUSIP NO. 675746309

The following constitutes Amendment No. 1 to the Schedule 13D filed by the undersigned (“Amendment No. 1”). This Amendment No. 1 amends the Schedule 13D as specifically set forth herein.

Item 3. Source and Amount of Funds or Other Consideration.

Item 3 is hereby amended and restated to read as follows:

The Shares purchased by each of the Funds were purchased with working capital (which may, at any given time, include margin loans made by brokerage firms in the ordinary course of business) in open market purchases, except as otherwise noted, as set forth in Schedule A, which is incorporated by reference herein. The aggregate purchase price of the 8,799,052 Shares owned by Master Fund is approximately \$60,248,654, including brokerage commissions. The aggregate purchase price of the 1,699,374 Shares owned by Fund II is approximately \$11,823,458, including brokerage commissions. The aggregate purchase price of the 2,001,574 Shares owned by Ktown is approximately \$14,172,085, including brokerage commissions.

Item 4. Purpose of Transaction.

Item 4 is hereby amended and restated to read as follows:

The Reporting Persons purchased the Shares based on the Reporting Persons’ belief that the Shares, when purchased, were undervalued and represented an attractive investment opportunity. Depending upon overall market conditions, other investment opportunities available to the Reporting Persons, and the availability of Shares at prices that would make the purchase or sale of Shares desirable, the Reporting Persons may endeavor to increase or decrease their position in the Issuer through, among other things, the purchase or sale of Shares on the open market or in private transactions or otherwise, on such terms and at such times as the Reporting Persons may deem advisable.

No Reporting Person has any present plan or proposal which would relate to or result in any of the matters set forth in subparagraphs (a) - (j) of Item 4 of Schedule 13D except as set forth herein or such as would occur upon or in connection with completion of, or following, any of the actions discussed herein. The Reporting Persons intend to review their investment in the Issuer on a continuing basis and may from time to time engage in discussions with management and the Board of Directors (the “Board”) concerning, among other things, the business, operations, available strategic alternatives and future plans of the Issuer. Depending on various factors including, without limitation, the Issuer’s financial position and investment strategy, the price levels of the Shares, conditions in the securities markets and general economic and industry conditions, the Reporting Persons may in the future take such actions with respect to their investment in the Issuer as they deem appropriate including, without limitation, making proposals concerning changes to the capitalization, ownership structure, Board composition or operations of the Issuer, nominating directors, purchasing additional Shares, selling some or all of their Shares, entering into financial instruments or other agreements that increase or decrease the Reporting Persons’ economic or beneficial exposure with respect to their investment in the Issuer, engaging in short selling of or any hedging or similar transaction with respect to the Shares, including swaps and other derivative instruments, or changing their intention with respect to any and all matters referred to in Item 4.

Item 5. Interest in Securities of the Issuer.

Items 5(a)-(c) are hereby amended and restated to read as follows:

(a) The aggregate percentage of Shares reported owned by each person named herein is based upon 125,380,118 Shares outstanding, as of July 27, 2015, which is the total number of Shares outstanding as reported in the Issuer’s



CUSIP NO. 675746309

As of the close of business on August 5, 2015, Master Fund owned directly 8,799,052 Shares, constituting approximately 7.02% of the Shares outstanding, Fund II owned directly 1,699,374 Shares, constituting approximately 1.36% of the Shares outstanding and Ktown owned directly 2,001,574 Shares, constituting approximately 1.60% of the Shares outstanding. By virtue of their respective relationships with the Funds discussed in further detail in Item 2 of the Schedule 13D, each of General Partner, Kingstown Capital, Kingstown Management and Messrs. Blitzer and Shanon may be deemed to beneficially own the Shares owned directly by the Funds.

(b) Each of Master Fund, General Partner, Kingstown Capital, Kingstown Management, Mr. Blitzer and Mr. Shanon has shared voting and dispositive power over the Shares owned directly by Master Fund. Each of Ktown, General Partner, Kingstown Capital, Kingstown Management, Mr. Blitzer and Mr. Shanon has shared voting and dispositive power over the Shares owned directly by Ktown. Each of Fund II, General Partner, Kingstown Capital, Kingstown Management, Mr. Blitzer and Mr. Shanon has shared voting and dispositive power over the Shares owned directly by Fund II.

(c) Schedule A annexed hereto lists all transactions in securities of the Issuer during the past 60 days by the Reporting Persons.

Each Reporting Person, as a member of a “group” with the other Reporting Persons for the purposes of Section 13(d)(3) of the Securities Exchange Act of 1934, as amended, may be deemed the beneficial owner of the Shares directly owned by the other Reporting Persons. Each Reporting Person disclaims beneficial ownership of such Shares except to the extent of his or its pecuniary interest therein.

Item 6. Contracts, Arrangements, Understandings or Relationships With Respect to Securities of the Issuer.

Item 6 is hereby amended to add the following:

Master Fund has entered into certain cash-settled total return swap agreements with Morgan Stanley as the counterparty (the “Swap Agreements”). The swaps with Morgan Stanley constitute economic exposure to 703,900 notional Shares and 267,000 notional Shares, respectively, with a reference price of \$8.0053 and \$7.6299, respectively and an expiration date of August 4, 2017. The Swap Agreements provide Master Fund with economic results that are comparable to the economic results of ownership but do not provide it with the power to vote or direct the voting or dispose of or direct the disposition of the Shares that are the subject of the Swap Agreements (such shares, the “Subject Shares”). Taking into account the Subject Shares, Master Fund has economic exposure to an aggregate of 9,769,952 Shares (representing approximately 7.79% of the outstanding Shares on the same basis).

Fund II has entered into certain cash-settled total return swap agreements with Morgan Stanley as the counterparty (the “Swap Agreements”). The swaps with Morgan Stanley constitute economic exposure to 136,000 notional Shares and 172,500 notional Shares, respectively, with a reference price of \$8.0053 and \$7.6299, respectively and an expiration date of August 4, 2017. The Swap Agreements provide Fund II with economic results that are comparable to the economic results of ownership but do not provide it with the power to vote or direct the voting or dispose of or direct the disposition of the Shares that are the subject of the Swap Agreements (such shares, the “Subject Shares”). Taking into account the Subject Shares, Fund II has economic exposure to an aggregate of 2,007,874 Shares (representing approximately 1.60% of the outstanding Shares on the same basis).

Ktown has entered into certain cash-settled total return swap agreements with Morgan Stanley as the counterparty (the “Swap Agreements”). The swaps with Morgan Stanley constitute economic exposure to 160,100 notional Shares and 60,500 notional Shares, respectively, with a reference price of \$8.0053 and \$7.6299, respectively and an expiration date of August 4, 2017. The Swap Agreements provide Ktown with economic results that are comparable to the

economic results of ownership but do not provide it with the power to vote or direct the voting or dispose of or direct the disposition of the Shares that are the subject of the Swap Agreements (such shares, the “Subject Shares”). Taking into account the Subject Shares, Ktown has economic exposure to an aggregate of 2,222,174 Shares (representing approximately 1.77% of the outstanding Shares on the same basis).

CUSIP NO. 675746309

SIGNATURES

After reasonable inquiry and to the best of his knowledge and belief, each of the undersigned certifies that the information set forth in this statement is true, complete and correct.

Date: August 6, 2015

KINGSTOWN CAPITAL MANAGEMENT L.P.

By: Kingstown Management GP LLC  
its general partner

By: /s/ Michael Blitzer  
Michael Blitzer  
Managing Member

KINGSTOWN PARTNERS II, L.P.

By: Kingstown Capital Partners LLC  
its general partner

By: /s/ Michael Blitzer  
Michael Blitzer  
Managing Member

KTOWN, LP

By: Kingstown Capital Partners LLC  
its general partner

By: /s/ Michael Blitzer  
Michael Blitzer  
Managing Member

KINGSTOWN MANAGEMENT GP LLC

By: /s/ Michael Blitzer  
Michael Blitzer



CUSIP NO. 675746309

KINGSTOWN CAPITAL PARTNERS, LLC

By: /s/ Michael Blitzer  
Michael Blitzer  
Managing Member

KINGSTOWN PARTNERS MASTER LTD.

By: /s/ Michael Blitzer  
Michael Blitzer  
Director

/s/ Michael Blitzer  
MICHAEL BLITZER

/s/ Guy Shanon  
GUY SHANON

CUSIP NO. 675746309

## SCHEDULE A

## Transactions in the Shares by the Reporting Persons During the Past 60 Days

Nature of the Transaction	Amount of Securities Purchased/(Sold)	Price Per Share(\$)	Date of Purchase/Sale
KINGSTOWN PARTNERS MASTER LTD.			
Purchase of Cash-Settled Total Return Swap	703,900	8.0053	08/04/2015
Purchase of Cash-Settled Total Return Swap	267,000	7.6299	08/05/2015
Sale of Common Stock	(173,601)	7.7450	08/05/2015
KINGSTOWN PARTNERS II, L.P.			
Purchase of Cash-Settled Total Return Swap	136,000	8.0053	08/04/2015
Purchase of Cash-Settled Total Return Swap	172,500	7.6299	08/05/2015
Purchase of Common Stock	198,205	7.7550	08/05/2015
KTOWN, LP			
Purchase of Cash-Settled Total Return Swap	160,100	8.0053	08/04/2015
Purchase of Cash-Settled Total Return Swap	60,500	7.6299	08/05/2015
Sale of Common Stock	(24,604)	7.7450	08/05/2015