



Attn: Trading and Market Making/Legal and Compliance/Operations/Systems
UNIFORM PRACTICE ADVISORY (UPC #35-12) 8/14/2012
Franklin Credit Holding Corporation (FCMCQ)

Notice has been received that the above Company's Plan of Reorganization filed under Chapter XI of the Federal Bankruptcy Code, became effective on August 10, 2012. Pursuant to the Plan, On the Effective Date, each Person or Entity that held an Allowed Interest on the Distribution Record Date shall receive his/her/its pro rata share of the Debtor's interest in FCMC. Holders of Allowed Interests shall not receive any additional Distribution and such Allowed Interests shall be deemed extinguished, cancelled and of no further force of effect upon the Distribution of the Debtor's interest in FCMC to the Holders of Allowed Interests.

Members are reminded of their obligations under FINRA Rule 2111 if they continue to engage in transactions in the above security after the effective date.

Members are further advised that deliveries in settlement of contracts in the OLD securities, which were executed prior to the announcement that the securities had been deemed worthless, shall be evidenced by either a) the OLD security; or b) a Letter of Indemnity which shall grant the purchaser any rights and privileges which might accrue to the holders of the physical securities. Such deliveries shall operate to close-out the contract and shall be settled at the existing contract price pursuant to Uniform Practice Code Rule 11530.

Questions regarding this notice should be directed to: FINRA Operations- 1-866-776-0800.