



**NEWS RELEASE
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Date: June XX, 2009

**Contact: Gordon Jardin
201.604.1800**

FRANKLIN CREDIT MANAGEMENT CORPORATION

RETAINED TO RECOVER DEBT ON CHARGED-OFF ASSETS

JERSEY CITY, NJ (June XX, 2009) – Franklin Credit Management Corporation, a subsidiary of Franklin Credit Holding Corporation (OTC: Bulletin Board: FCMCE.OB---News), today announced that Old Republic Insurance Company, a subsidiary of Chicago, IL-based Old Republic International Corporation (NYSE: ORI), has retained Franklin to recover debt outstanding on X,XXX charged-off residential mortgage loans acquired by Old Republic in the course of indemnifying lenders on borrower defaults.

The debt represents balances due on secured and unsecured second-lien mortgages, including HELOCS and straight home equity loans, many of which were previously serviced by Old Republic Insurance Company affiliate Old Republic Equity Credit Services, Inc. The charged-off loans include bankruptcy cases pre- and post-petition, foreclosures where Old Republic is due a share in any excess funds, and loans in testate.

Franklin Credit Management Corporation has built its reputation largely on its expertise in the acquisition, servicing, and resolution of distressed assets and origination of non-prime mortgage loans for its own portfolio. Today, it provides third parties with a comprehensive suite of mortgage servicing and collection operations, including high-touch customer service and loss mitigation, foreclosure, bankruptcy, deficiency and judgment recovery, real estate-owned (REO), and specialized borrower contact services, a product referred to by the company as Face to Face Home Solutions.

“Franklin Credit has been retained to service first-, second-, and third-placement loans,” said Old Republic General Insurance Companies President and Chief Operating Officer R. Scott Rager. “We are looking to Franklin’s collections expertise and processing agility as critical resources in leveraging the potential remaining in these assets.”

Franklin Credit Management Corporation Chairman and President Tom Axon said, “Higher default rates and correspondingly lower returns are incenting mortgage investors to more aggressively enforce their covenants. Our skip trace and door-knock professionals will be called in to assist Franklin Recovery Agents in effecting settlements and repayment plans with these loan’s most recalcitrant debtors.”

About Old Republic Insurance Company

Old Republic Insurance Company (ORINOSCO), a Greensburg, PA-based Pennsylvania corporation, is the flagship carrier of the Old Republic General Insurance Group, which is one of the nation's 50 largest property and liability insurers as measured by revenues, and the largest of parent Old Republic International Corporation’s business segments. Old Republic International Corporation is a Chicago, IL-based insurance holding company whose subsidiaries market, underwrite, and provide risk management services for a wide variety of coverages, primarily in the property and liability, mortgage guaranty, and title insurance fields. Old Republic International Corporation has assets of approximately \$13.2 billion and shareholders' equity of \$3.6 billion or \$15.47 per share. Its current stock market valuation is approximately \$2.36 billion, or \$9.95 per share. Cash dividends have been paid without interruption for the past 68 years, and the dividend rate has been increased in each of the past 27 years.

ORINOSCO affiliate Old Republic Insured Credit Services (ORICS) protects lenders from defaults on a variety of consumer borrowings, including loans in the property improvement and equity lending portfolios of financial institutions. ORICS’ credit indemnity insurance programs have been successfully underwritten through ORINOSCO since 1954. Old Republic Equity Credit Services, Inc. (ORECS), an ORICS subsidiary, provides loan loss recovery and collection services on performing and non-performing real estate and other consumer loans.

About Franklin Credit Management Corporation

Franklin Credit Management Corporation, a subsidiary of Franklin Credit Holding Corporation, currently services approximately 32,500 first and second residential mortgages with an

aggregate of approximately \$1.75 billion in unpaid principal balance, primarily for its principal lender, The Huntington National Bank. The portfolio represents a mix of performing, sub-performing, and non performing loans, and real estate owned (REO) assets. Franklin Credit's 180 employees provide a comprehensive range of administrative services for investors of performing and distressed mortgages, including borrower workout strategies and programs designed to promote home retention while stimulating portfolio cash flow and return of investment principal. Franklin Credit also offers investors a full complement of portfolio investment management capabilities, including portfolio- and loan-level valuation, pricing and cash flow models, credit and appraisal due diligence, and closing-to-servicing expertise.

About Franklin Credit Holding Corporation

Franklin Credit Holding Corporation ("Franklin Holding" and its subsidiaries, or the "Company") is a specialty consumer finance company primarily engaged in the servicing and resolution of performing, reperforming, and nonperforming residential mortgage loans, and in the analysis, pricing, due diligence, and acquisition of residential mortgage portfolios for third parties. The portfolios serviced for other entities, as well as the Company's remaining portfolio, consist of both first- and second-lien loans secured by 1-4 family residential real estate that generally fall outside the underwriting standards of Fannie Mae and Freddie Mac and involve elevated credit risks as a result of the nature or absence of income documentation, limited credit histories, higher levels of consumer debt, or past credit difficulties. The Company's executive, administrative, and operations offices are located in Jersey City, New Jersey. Additional information on the Company is available on the Internet at www.franklincredit.com.

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Statements contained herein that are not historical fact may be forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, that are subject to a variety of risks and uncertainties. There are a number of important factors that could cause actual results to differ materially from those projected or suggested in forward-looking statements made by the Company. These factors include, but are not limited to: (i) unanticipated changes in the U.S. economy, including changes in business conditions such as interest rates, changes in the level of growth in the finance and housing markets, such as slower or negative home price appreciation; (ii) the Company's relations with its lenders and such lenders' willingness to waive any defaults under the Company's agreements with such lenders; (iii) increases in the delinquency rates of borrowers, (iv) the availability of clients holding sub-prime borrowers for servicing by the Company on a fee-paying basis; (vi) changes in the statutes or regulations applicable to the Company's business or in the interpretation and enforcement thereof by the relevant authorities; (vii) the status of the

Company's regulatory compliance; (viii) the Company's success in entering new business activities of providing mortgage-related services for other entities, particularly servicing loans for others, in which the Company has limited prior experience with servicing loans for others; and (ix) other risks detailed from time to time in the Company's SEC reports and filings. Additional factors that would cause actual results to differ materially from those projected or suggested in any forward-looking statements are contained in the Company's filings with the Securities and Exchange Commission, including, but not limited to, those factors discussed under the captions "Risk Factors", "Interest Rate Risk" and "Real Estate Risk" in the Company's Annual Report on Form 10-K and Quarterly Reports on Form 10-Q, which the Company urges investors to consider. The Company undertakes no obligation to publicly release any revisions to such forward-looking statements that may be made to reflect events or circumstances after the date hereof or to reflect the occurrences of unanticipated events, except as otherwise required by securities, and other applicable laws. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. The Company undertakes no obligation to release publicly the results on any events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.