FRANKLIN CREDIT MANAGEMENT CORPORATION
101 Hudson Street
Jersey City, New Jersey 07302

August 17, 2026

To Our Stockholders:

You are cordially invited to attend the 2026 Annual Meeting of Stockholders of Franklin Credit Management Corporation (the "Company"), which will be held **by teleconference only** on Wednesday, September 9, 2026, at 11:00 A.M., Eastern Daylight Time. **Please Note: The Annual Meeting of Stockholders will be held by teleconference only, there will be no in-person meeting. To participate in the meeting by teleconference please contact Donald A. Knight, Secretary, via email at dknight@franklincredit.com or by phone at (201) 604-4505 in advance to obtain the conference call in number and conference ID. *You must register in advance to participate by teleconference.* You must vote by mail; please complete, sign, date and return the enclosed proxy in the reply envelope provided. Stockholders participating in the Annual Meeting by teleconference may not vote by teleconference.**

The Notice of Annual Meeting and Proxy Statement covering the formal business to be conducted at the Annual Meeting follow this letter and are accompanied by the Company's audited financial statements for the fiscal year ended December 31, 2025 and for the two years then ended.

Whether or not you plan to attend by teleconference, please complete, sign, date and return the enclosed proxy promptly in the accompanying reply envelope to assure that your shares are represented at the meeting.

Sincerely yours,

/s/ Thomas J. Axon

THOMAS J. AXON
Chairman and President

FRANKLIN CREDIT MANAGEMENT CORPORATION
101 Hudson Street
Jersey City, New Jersey 07302
(201) 604-1800

NOTICE OF 2026 ANNUAL MEETING OF STOCKHOLDERS
September 9, 2026

Notice is hereby given that the Annual Meeting of Stockholders of Franklin Credit Management Corporation (the "Company") will be held **by teleconference only** at 11:00 A.M., Eastern Daylight Time, on Wednesday, September 9, 2026 for the following purposes:

1. to elect one director to Class III of the Company's Board of Directors; and
2. to ratify the appointment of CBIZ CPAs P.C. as the Company's independent auditing firm for the fiscal year ending December 31, 2026; and
3. to transact such other business as may be properly brought before the Annual Meeting and any adjournment or postponement thereof.

Please Note: The Annual Meeting of Stockholders will be held by teleconference only, there will be no in- person meeting. To participate in the meeting by teleconference please contact Donald A. Knight, Secretary, via email at dknight@franklincredit.com or by phone at (201) 604-4505 in advance to obtain the conference call in number and conference ID.

The Board of Directors unanimously recommends that you vote FOR the ratification of the appointment of CBIZ CPAs P.C. as the Company's independent auditing firm for the fiscal year ending December 31, 2026.

The Board of Directors unanimously recommends that you vote for the re-election of the Class III director to the Company's Board of Directors.

Stockholders of record at the close of business on August 13, 2026 are entitled to notice of the Annual Meeting and any adjournment or postponement thereof.

In order to participate in the Annual Meeting by teleconference you must contact Donald A. Knight, Secretary, via email at dknight@franklincredit.com or by phone at (201) 604-4505 in advance to obtain the conference call in number and conference ID.

You must vote by mail; please complete, sign, date and return the enclosed proxy in the reply envelope provided. Stockholders participating in the Annual Meeting by teleconference may not vote by teleconference. By promptly returning your proxy, we will record your vote and you will greatly assist us in preparing for the Annual Meeting.

By Order of the Board of Directors,

/s/ Thomas J. Axon
THOMAS J. AXON
Chairman

Jersey City, New Jersey
August 17, 2026

FRANKLIN CREDIT MANAGEMENT CORPORATION
101 Hudson Street
Jersey City, New Jersey 07302
(201) 604-1800

PROXY STATEMENT FOR
2026 ANNUAL MEETING OF STOCKHOLDERS
To Be Held September 9, 2026

General Information

This Proxy Statement and the enclosed form of proxy are being furnished, commencing on or about August 17, 2026, in connection with the solicitation of proxies by the Board of Directors of Franklin Credit Management Corporation, a Delaware corporation (the "Company"), for use at the Annual Meeting of Stockholders ("Stockholders") of the Company (the "Annual Meeting"). The Annual Meeting will be held **by teleconference only**, at 11:00 A.M, Eastern Daylight Time, on Wednesday, September 9, 2026. **Please Note: The Annual Meeting of Stockholders will be held by teleconference only, there will be no in person meeting. You must vote by mail by returning the enclosed proxy. To participate in the meeting by teleconference please contact Donald A. Knight, Secretary, via email at dknight@franklincredit.com or by phone at (201) 604-4505 in advance to obtain the conference call in number and conference ID. You may not vote by teleconference.**

The audited financial statements of the Company as of December 31, 2025, and for the two years then ended, have been delivered to you or are included with this Proxy Statement.

A list of the Stockholders entitled to vote at the Annual Meeting will be available for examination by Stockholders for a period of ten days prior to the Annual Meeting upon request directed to Donald A. Knight, Secretary, dknight@franklincredit.com.

You may vote by proxy on any matter to come before the meeting. The enclosed proxy is being solicited by the Board of Directors. Any proxy given pursuant to such solicitation and received in time for the Annual Meeting will be voted as specified in such proxy. If no instructions are given, proxies will be voted

(i) FOR the election as Director of the nominee named below under the caption "Election of Directors" to Class III of the Board of Directors, (ii) FOR the ratification of the appointment of CBIZ CPAs P.C. as independent auditing firm for the Company's fiscal year ending December 31, 2026, and (iii) IN the discretion of the proxies named on the proxy card with respect to any other matters properly brought before the Annual Meeting. Attendance by teleconference at the Annual Meeting will not of itself revoke a proxy. Proxies may be revoked at any time before they are voted by timely submitting a properly executed proxy with a later date or by sending a written notice of revocation to the Secretary of the Company at the Company's corporate office.

This Proxy Statement and the accompanying form of proxy are being mailed to Stockholders of the Company on or about August 17, 2026.

Following the original mailing of proxy solicitation material, executive and other employees of the Company and professional proxy solicitors may solicit proxies by mail, telephone, telegraph and personal interview. Arrangements may also be made with brokerage houses and other custodians, nominees and fiduciaries that are record holders of the Company's common stock, par value $0.01 per share (the "Common Stock"), to forward proxy solicitation material to the beneficial owners of such stock, and the Company may reimburse such record holders for their reasonable expenses incurred in such forwarding. The cost of soliciting proxies in the enclosed form will be borne by the Company.

The Board of Directors unanimously recommends that you vote FOR the ratification of the appointment of CBIZ CPAs P.C. as the Company's independent auditing firm for the fiscal year ending December 31, 2026.

The Board of Directors unanimously recommends that you vote for the re-election of the Class III director to the Company's Board of Directors.

Voting of Shares

The holders of a majority of the outstanding shares entitled to vote, represented by proxy only, will constitute a quorum for the transaction of business. Shares represented by proxies that are marked "abstain" will be counted as shares present for purposes of determining the presence of a quorum on all matters. Brokers holding shares for beneficial owners in "street name" must vote those shares according to specific instructions they receive from the owners of such shares. If instructions are not received, brokers may vote the shares, in their discretion, depending on the type of proposals involved. "Broker non-votes" result when brokers are precluded from exercising their discretion on certain types of proposals. Brokers have discretionary authority to vote under the rules governing brokers to vote without instructions from the beneficial owner on certain “routine” items such as the ratification of the appointment of the independent auditing firm (Proposal 2) and, accordingly, your shares may be voted by your broker on Proposal 2. Brokers do not have discretionary authority to vote on non-routine matters such as the election of directors. Shares that are voted by brokers on some but not all of the matters will be treated as shares present for purposes of determining the presence of a quorum on all matters, but will not be treated as shares entitled to vote at the Annual Meeting on those matters as to which authority to vote is withheld by the broker.

The election of each nominee for Director (Proposal 1) requires a plurality of votes cast. Accordingly, abstentions and Broker non-votes will not affect the outcome of the election; and votes that are withheld will be excluded entirely from the vote and will have no effect. The affirmative vote of the holders of a majority of the shares present in person or represented by proxy at the Annual Meeting and entitled to vote is required for the appointment of the independent auditing firm (Proposal 2). On this matter, abstentions will have the same effect as a negative vote. Proxies solicited by the Board of Directors will be voted FOR the election of a nominee named under the caption “Election of Directors” to a Class (I, II or III) of the Board of Directors and FOR the ratification of the appointment of CBIZ CPAs P.C. as independent auditing firm for the Company’s fiscal year ending December 31, 2026, unless Stockholders specify otherwise. The Company will appoint an inspector to act at the Annual Meeting who will: (1) ascertain the number of shares outstanding and the voting powers of each; (2) determine the shares represented at the Annual Meeting and the validity of the proxies and ballots; (3) count all votes and ballots; (4) determine and retain for a reasonable period of time a record of the disposition of any challenges made to any determinations by such inspector; and, (5) certify his/her determination of the number of shares represented at the Annual Meeting and his/her count of all votes and ballots.

Only stockholders of record at the close of business on August 13, 2026 are entitled to notice of, and to vote by proxy and at any adjournment or postponement thereof. As of the close of business on August 13, 2026, there were 10,021,549 shares of Common Stock outstanding. Each share of Common Stock entitles the record holder thereof to one vote on all matters properly brought before the Annual Meeting and any adjournment or postponement thereof, with no cumulative voting.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth information, as of August 13, 2026, with respect to beneficial ownership of Common Stock, which is the only outstanding class of voting securities of the Company, and the percentages of beneficial ownership by:

- each person, group or entity known to the Company to beneficially own more than 5% of the Company's outstanding Common Stock;
- each of the Company's Directors and executive officers; and
- all of the Company's Directors and executive officers as a group.

The amounts and percentages of Common Stock beneficially owned are reported on the basis of regulations of the Securities and Exchange Commission (the "SEC") governing the determination of beneficial ownership of securities. Under the rules of the SEC, a person is deemed to be a "beneficial owner" of a security if that person has or shares "voting power," which includes the power to vote or to direct the voting of that security, or "investment power," which includes the power to dispose of or to direct the disposition of that security. A person is also deemed to be a beneficial owner of any security as to which that person has a right to acquire beneficial ownership presently or within 60 days. Under these rules, more than one person may be deemed to be a beneficial owner to the same securities, and a person may be deemed to be the beneficial owner of the same securities as to which that person has no economic interest. Including those shares in the table below does not, however, constitute an admission that the named stockholder is a direct or indirect beneficial owner of those shares.

Name and Address of Beneficial Owner[1]	**Amount and Nature of Beneficial Ownership**	**Percent of Class**
Thomas J. Axon	5,636,139	56.24%
Frank B. Evans, Jr.	843,425[2]	8.42%
Glenn Murphy	0	-
Sean Hundtofte	0	-
All Directors and Executive Officers as a group (4 persons)	6,479,564	64.66%

(1) Unless otherwise indicated the address of each beneficial owner identified is c/o Franklin Credit Management Corporation, 101 Hudson Street, 24th Floor, Jersey City, NJ 07302.

(2) Includes 20,000 shares, 5,000 held by each of four adult children.

DIRECTOR INFORMATION

Class I Directors with Terms Expiring in 2027

Dr. Sean Hundtofte, 50, was appointed a Director and Chief Executive Officer of the Company in 2025. Dr. Hundtofte is a former Financial Economist at the Federal Reserve Bank of New York, and previously held executive roles at Better Home & Finance where he served as Chief Economist, Head of Credit Risk, and Head of Acquisitions. This background in both traditional finance and fintech positions gives Dr. Hundtofte a unique perspective of Franklin Credit's current strategic initiatives, which include helping consumers meet their financial needs through its online lending platform, as well as helping individuals manage their debt and improve their credit. Dr. Hundtofte holds a Ph.D. in Financial Economics from Yale University, an MSE in Computer Science from Johns Hopkins University, and received his undergraduate degree in Computing Science from the University of Glasgow.

Class II Directors with Terms Expiring in 2028

Frank B. Evans, Jr., 74, was elected a Director of the Company in 1994. Mr. Evans co-founded the Company and served as the Company's Vice President, Treasurer, Secretary and Chief Financial Officer from December 1994 until November 1998. Mr. Evans also served as the Company's Secretary, Treasurer, a Vice President and a member of the Board of Directors first with the predecessor of the Company in 1990 until later upon the Company's merger with Miramar Resources, Inc. in December 1994. Mr. Evans has served as Chief Executive Officer of Core Engineered Solutions, Inc., a Herndon, Virginia design/build firm that specializes in fuel and chemical storage systems, since its inception in 1990. Mr. Evans is a Certified Public Accountant and holds a Bachelor of Science degree from the University of Maryland and a Masters in Business Administration degree from the University of Southern California.

Class III Directors with Terms Expiring in 2026

Thomas J. Axon, 74, was elected a Director of the Company in 1988. Mr. Axon has served as Chairman of the Company's Board of Directors since December 1994, has served as President of the Company since its inception in 1990 (except for the period of October 2004 until January 2006), and served as the Company's Chief Executive Officer from January 2006 until April 2006, and from December 1994 through June 2000. Mr. Axon also served as a member of the Company's Board of Directors from the Company's inception in 1990 until the

Company's merger with Miramar Resources, Inc. in December 1994. Mr. Axon served as President of Miramar Resources, Inc. from October 1991 until the merger, and as a member of Miramar Resources, Inc.'s Board of Directors from its inception in 1988. Within the last ten years, Mr. Axon has been the controlling interest in, and acted directly and indirectly as a principal of, various private companies, including RMTS, LLC, an insurance consulting and underwriting company, and its affiliated companies; Axon Associates, Inc., Harrison Street Realty Corporation, and its predecessors, 185 Franklin Street Development Associates, L.P., Harrison Street Development Associates, L.P. and James Thomas Realty LLC, which hold various real estate interests and/or manage rental commercial space; AIS Ltd., a reinsurance company; and Bosco Credit, LLC, Bosco Credit II, LLC, Bosco Credit III, LLC, Bosco Credit IV, LLC, Bosco Credit V, LLC, Bosco Credit VI, LLC, Bosco Credit VIII, LLC, Bosco IX Overseas, LLC and Bosco Credit X, LLC (collectively, the Bosco entities), which hold interests in various mortgage related assets serviced by the Company. Mr. Axon holds a Bachelor of Arts degree in Economics from Franklin and Marshall College and attended the New York University Graduate School of Business. Mr. Axon is a co-founder and principal shareholder of the Company and, through the Bosco entities, the principal servicing client of the Company, has led the Company and served on the Company's Board of Directors since its inception.

MANAGEMENT

Executive Officers

The following table sets forth certain information with respect to the executive officers of the Company:

Name	Age	Position
Thomas J. Axon	74	President and Chairman of the Board of Directors
Sean Hundtofte	50	Chief Executive Officer
Glenn Murphy	64	Senior Vice President and Chief Operating Officer

Glenn Murphy joined the Company in August 1998. Glenn Murphy has been the Chief Operating Officer of Franklin Credit since August 2015. Mr. Murphy joined the company in 1998, and has had various roles in loan acquisitions, default service and asset recovery. A former U.S. Marine, Mr. Murphy graduated from Pace University, and holds a B.A. in Accounting, as well as an M.B.A. (finance) with honors from the Pace/Lubin School of Business.

See Director Information, above, for a biography of Thomas J. Axon.

See Director Information, above, for a biography of Sean Hundtofte.

PROPOSALS

The Board of Directors unanimously recommends that you vote FOR the election of the nominee named below under the caption “Election of Directors” to Class III of the Board of Directors, and FOR the ratification of the appointment of CBIZ CPAs P.C. as the Company’s independent registered public accounting firm for the fiscal year ending December 31, 2026.

PROPOSAL 1 – ELECTION OF DIRECTOR

Nominees for Election

The Board of Directors is divided into three classes, with one class being elected each year and members of each class holding office for a three-year term, except to the extent that shorter terms may be required to effect an appropriate balance among the classes in the event of an increase in the number of Directors or to the extent any class of preferred stock issued in the future entitles the holders thereof to designate a Director or Directors with a longer or shorter term. The Board of Directors is comprised of nine Directors, although there are currently only three directors serving. It is proposed to elect one director to Class III of the Board of Directors, for a term of three years. The nominee named below is currently a member of the Board of Directors and has consented to serve if elected.

Unless instructed otherwise, the enclosed proxy will be voted FOR the election of the nominee named below. Voting is not cumulative. While management has no reason to believe that the nominee will not be available as a candidate, should such a situation arise, proxies may be voted for the election of such other persons as a Director as the holders of the proxies may, in their discretion, determine. Proxies cannot be voted for a greater number of persons than the number of nominees named.

The Board of Directors unanimously recommends a vote FOR the election of Thomas J. Axon as a Class III Director to hold office until the 2029 annual meeting of stockholders or until his respective successor is elected.

PROPOSAL 2 – RATIFICATION OF APPOINTMENT OF INDEPENDENT AUDITING FIRM

The Board of Directors has appointed the firm of CBIZ CPAs P.C. as the Company's independent auditing firm to audit the financial statements of the Company for the fiscal year ending December 31, 2026, and recommends that stockholders vote for ratification of this appointment. CBIZ CPAs P.C. CPAs was appointed as the Company's independent auditing firm effective January 2, 2020.

Vote Required for Ratification of CBIZ CPAs P.C.

Ratification of the appointment of CBIZ CPAs P.C. requires the affirmative vote of a majority of the shares of Common Stock present at the Annual Meeting and entitled to vote thereon. If the Stockholders fail to ratify the selection, the Audit Committee will reconsider its selection of CBIZ CPAs P.C.. Even if the selection is ratified, the Audit Committee, in its discretion, may direct the appointment of a different independent auditing firm at any time during the year, if it determines that such change would be in the best interests of the Company and its Stockholders.

The Board of Directors unanimously recommends a vote FOR ratification of the appointment of CBIZ CPAs P.C. as the Company's independent auditing firm for the fiscal year ending December 31, 2026.

OTHER BUSINESS

As of the date of this Proxy Statement, the Board of Directors is not aware of any other matter that is to be presented to Stockholders for formal action at the Annual Meeting. If, however, any other matter or matters are properly brought before the Annual Meeting or any adjournment or postponement thereof, it is the intention of the persons named in the enclosed form of proxy to vote such proxy in accordance with their judgment on such matters.

OTHER INFORMATION

Although it has entered into no formal agreements to do so, the Company will reimburse banks, brokerage houses and other custodians, nominees and fiduciaries for their reasonable expenses in forwarding proxy-soliciting materials to their principals. The cost of soliciting proxies on behalf of the Board of Directors will be borne by the Company. Such proxies will be solicited principally through the mail but, if deemed desirable, may also be solicited personally or by telephone, telegraph, facsimile transmission or special letter by directors, officers and regular employees of the Company without additional compensation.

"Householding" of Proxy Materials

The SEC has adopted rules that permit companies and intermediaries such as brokers to satisfy delivery requirements for proxy statements with respect to two or more stockholders sharing the same address by delivering a single proxy statement addressed to those stockholders. This process, which is commonly referred to as "householding," potentially provides extra convenience for stockholders and cost savings for companies. We and some brokers household proxy materials, delivering a single proxy statement or annual report to multiple stockholders sharing an address, unless contrary instructions have been received from the affected stockholders. Once you have received notice from your broker or us that they or we will be householding materials to your address, householding will continue until you are notified otherwise or until you revoke your consent. If, at any time, you no longer wish to participate in householding and would prefer to receive a separate proxy statement or audited financial statements, please notify us by sending a written request to Franklin Credit Management Corporation, 101 Hudson Street, 24th Floor, Jersey City, New Jersey 07302 or by calling us at (201) 604-1800. You may also notify us to request delivery of a single copy of our audited financial statements or proxy statement if you currently share an address with another stockholder and are receiving multiple copies of our audited financial statements or proxy statement.

IT IS IMPORTANT THAT YOUR STOCK BE REPRESENTED AT THE ANNUAL MEETING WHETHER OR NOT YOU EXPECT TO PARTICIPATE IN THE ANNUAL MEETING BY TELECONFERENCE. YOU WILL NOT BE ABLE TO VOTE AT THE MEETING EVEN IF YOU PARTICIPATE IN THE ANNUAL MEETING BY TELECONFERENCE, YOU MUST VOTE BY MAIL. THE BOARD URGES YOU TO COMPLETE, DATE, SIGN AND RETURN THE ENCLOSED PROXY IN THE ENCLOSED REPLY ENVELOPE. YOUR COOPERATION AS A STOCKHOLDER, REGARDLESS OF THE NUMBER OF SHARES OF STOCK YOU OWN, WILL REDUCE THE EXPENSES INCIDENT TO A FOLLOW-UP SOLICITATION OF PROXIES.

IF YOU HAVE ANY QUESTIONS ABOUT VOTING YOUR SHARES, PLEASE TELEPHONE THE COMPANY AT (201) 604-1800.

Sincerely yours,

/s/ Thomas J. Axon

THOMAS J. AXON
Chairman and President

Jersey City, New Jersey
August 17, 2026

FRANKLIN CREDIT MANAGEMENT CORPORATION

Annual Meeting of Stockholders

THIS PROXY IS SOLICITED ON BEHALF OF THE BOARD OF DIRECTORS

The undersigned hereby appoints Thomas J. Axon and Glenn Murphy, or if only one is present then that individual, with full power of substitution, to vote all shares of Franklin Credit Management Corporation (the "Company"), which the undersigned is entitled to vote at the Company's Annual Meeting of Stockholders to be held **by teleconference only** at the corporate office of the Company, on Wednesday, September 9, 2026, at 11:00 A.M., Eastern Daylight Time, and at any adjournment or postponement thereof, hereby ratifying all that said proxies or their substitutes may do by virtue hereof, and the undersigned authorizes and instructs said proxies to vote as follows:

1. ELECTION OF DIRECTORS. To elect the nominee listed in Proposal 1 for Class III Director for a term of three years:

☐**FOR NOMINEE LISTED IN PROPOSAL 1** ☐**WITHHOLD AUTHORITY** for nominee listed in Proposal 1

2. RATIFICATION OF APPOINTMENT OF AUDITORS: To ratify the appointment of CBIZ CPAs P.C. as the independent auditing firm of the Company for the fiscal year ending December 31, 2026:

FOR ☐ **AGAINST** ☐ **ABSTAIN** ☐

and in their discretion, upon any other matters that may properly come before the meeting or any adjournments or postponements thereof.

(Continued and to be dated and signed on the other side.)

THIS PROXY WHEN PROPERLY EXECUTED WILL BE VOTED IN THE MANNER DIRECTED HEREIN BY THE UNDERSIGNED STOCKHOLDER(S). **IF NO DIRECTION IS MADE, THIS PROXY WILL BE VOTED FOR THE NOMINEE LISTED IN PROPOSAL 1 AND FOR PROPOSAL 2.**

PLEASE DATE, SIGN AND RETURN THIS PROXY PROMPTLY USING THE ENCLOSED ENVELOPE. PLEASE MARK YOUR VOTE IN BLUE OR BLACK INK AS SHOWN HERE: ☐

Receipt of the Notice of Annual Meeting and of the Proxy Statement and Annual Report of the Company accompanying the same is hereby acknowledged.

________________________, 2026

____
(Signature of Stockholder)

____
(Signature of Stockholder)

Your signature should appear the same as your name appears herein. If signing as attorney, executor, administrator, trustee or guardians, please indicate the capacity in which signing. When signing as joint tenants, all parties to the joint tenancy must sign. When the proxy is given by a corporation, it should be signed by an authorized officer.