

Atlas vs. Accredited Home Lenders Holding Co.
Proof of Claim and Release Instructions

I. GENERAL INSTRUCTIONS

1. To recover as a member of the Settlement Class based on your claims in the action entitled *Atlas vs. Accredited Home Lenders Holding Co., et al.* Case No. 3:07-cv-00488-H-CAB (the "Litigation"), you must complete and, on page 6 hereof, sign this Proof of Claim and Release. If you fail to file a properly addressed (as set forth in paragraph 3 below) Proof of Claim and Release, your claim may be rejected and you may be precluded from any recovery from the Settlement Fund created in connection with the proposed settlement of the Litigation.

2. Submission of this Proof of Claim and Release, however, does not assure that you will share in the proceeds of the settlement of the Litigation.

3. YOU MUST MAIL YOUR COMPLETED AND SIGNED PROOF OF CLAIM AND RELEASE POSTMARKED ON OR BEFORE NOVEMBER 17, 2009, ADDRESSED AS FOLLOWS:

Atlas v. Accredited Home Lenders Holding Co. Securities Litigation
c/o The Garden City Group, Inc.
P.O. Box 9397
Dublin, OH 43017-4297
Toll-Free 1-866-278-7838

If you are NOT a member of the Settlement Class (as defined below and in the Notice of Pendency and Proposed Settlement of Class Action (the "Notice")) **DO NOT** submit a Proof of Claim and Release form.

4. If you are a member of the Settlement Class and you did not timely request exclusion in connection with the proposed settlement, you are bound by the terms of any judgment entered in the Litigation, including the releases provided therein, **WHETHER OR NOT YOU SUBMIT A PROOF OF CLAIM AND RELEASE FORM.**

II. CLAIMANT IDENTIFICATION

If you purchased or acquired Accredited common stock or preferred shares of Accredited ("Accredited Securities"), and held documents evidencing these transactions (i.e., stock certificate(s), etc.) in your name, you are the beneficial purchaser as well as the record purchaser. If, however, you purchased or acquired Accredited Securities and the transactional document(s) was/were registered in the name of a third party, such as a nominee or brokerage firm, you are the beneficial purchaser and the third party is the record purchaser.

Use Section A of the Proof of Claim and Release form – entitled “Claimant Information” – to identify each purchaser of record (“nominee”), if different from the beneficial purchaser of Accredited Securities which forms the basis of this claim. **THIS CLAIM MUST BE FILED BY THE ACTUAL BENEFICIAL PURCHASER OR PURCHASERS, OR THE LEGAL REPRESENTATIVE OF SUCH PURCHASER OR PURCHASERS, OF THE ACCREDITED SECURITIES UPON WHICH THIS CLAIM IS BASED.**

All joint purchasers must sign this claim. Executors, administrators, guardians, conservators and trustees must complete and sign this claim on behalf of persons represented by them and their authority must accompany this claim and their titles or capacities must be stated. The Social Security (or taxpayer identification) number and telephone number of the beneficial owner may be used in verifying the claim. Failure to provide the foregoing information could delay verification of your claim or result in rejection of the claim.

III. CLAIM FORM

Use Section B of the Proof of Claim and Release – entitled “Common Stock Transactions” – and Section C of the Proof of Claim and Release – entitled “Preferred Share Transactions” – to supply all required details of your transaction(s) in Accredited Securities. If you need more space or additional schedules, attach separate sheets giving all of the required information in substantially the same form. Sign and print or type your name on each additional sheet.

On the schedules, provide all of the requested information. Failure to report all requested information may result in the rejection of your claim.

List each transaction separately and in chronological order, by trade date, beginning with the earliest. You must accurately provide the month, day and year of each transaction you list.

The date of covering a “short sale” is deemed to be the date of purchase of Accredited Securities. The date of a “short sale” is deemed to be the date of sale of Accredited Securities.

Copies of broker confirmations or other documentation of your transactions in Accredited Securities should be attached to your claim. Failure to provide this documentation could delay verification of your claim or result in rejection of your claim.