

**UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA**

In re American Business Financial Services Inc. Noteholders Litigation	X : : : : X	Master File No. 05-232
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PROOF OF CLAIM AND RELEASE FORM AND SUBSTITUTE FORM W-9

I. GENERAL INSTRUCTIONS

1. If you bought or rolled over Notes of American Business Financial Services Inc. (“American Business”) during the period from January 18, 2002 through January 20, 2005 (the “Class Period”), you are a “Class Member” and you may be entitled to a payment from the Settlement proceeds. (See the accompanying Notice for a description of persons that are excluded from the Class.) If you are NOT a member of the Class, PLEASE DO NOT submit a Proof of Claim and Release.

2. If you have already excluded yourself from the Class, but want to get a payment from the Settlement, please check the box below and your exclusion will be withdrawn. In this event, you will be bound by the Settlement and release Defendants in this case.

I want to withdraw my exclusion filed in May or June 2008.

3. To get a payment, you must:
- a. complete this Proof of Claim and Release and sign it on page 13.
 - b. complete the Substitute Form W-9 and sign it on page 14.
 - c. mail your completed and signed Proof of Claim and Release Form, your completed and signed Substitute Form W-9 and documents proving your claim (such as copies of your Notes and your January 21, 2005 Investment Note Statement from American Business), postmarked on or before January 2, 2009, addressed as follows:

Claims Administrator
American Business Financial Services
Noteholders Litigation
Heffler Radetich & Saitta LLP
P.O. Box 360
Philadelphia, PA 19105-0360

4. If you do not send your signed Proof of Claim and Release and signed Substitute Form W-9 and documents to prove your claim (such as your January 21, 2005 Investment Note Statement from American Business, and copies of your Notes) to the address above, postmarked by January 2, 2009, your claim may be rejected and you may not get any payment from the Settlement, as explained in the Notice. Submission of this Proof of Claim and Release, however, does not assure that you will get a payment from the Settlement.

II. PROOF OF CLAIM AND RELEASE

5. By submitting this Proof of Claim, I state that I believe in good faith that I am a Class member as defined above and in the Notice of Proposed Settlement of Class Action Motion for Attorney’s Fees and Costs and Hearing on November 3, 2008, (the “Notice”), or am acting for such person; that I am not a Defendant in the Action, the family member of a Defendant, a trust of which a Defendant is a settler, or any entity in which a Defendant has a controlling interest; that if I asked to be excluded from the Class in response to the notice dated May 2, 2008, I want to withdraw that exclusion; that I have read and understand the Notice; that I believe that I am entitled to receive a share of the Net Settlement Amount; and that I have decided to participate in the proposed Settlement described in the Notice. (If you are acting on behalf of a Class member, for instance, as an executor, administrator, trustee, or other representative, you must send evidence of your current authority to act on behalf of that Class member. Such evidence would include, for example, copies of letters testamentary, letters of administration, or a copy of the trust documents.)

6. I understand that the information contained in this Proof of Claim is subject to such verification as the Court may direct, and I agree to cooperate in any such verification. If the Claims Administrator requests additional information, I will provide it if I can.

- 7. I have set forth where requested below all relevant information about all of my Notes.
- 8. I have included copies of my Notes and copies of my latest statement from American Business.

9. CLAIMANT IDENTIFICATION—PLEASE TYPE OR PRINT

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Noteholder's Name

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Joint Owners' Name (if any)

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Street Address

	State or Province	Zip Code or Postal Code	
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City

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Foreign Province

Foreign Country

Social Security Number: <table border="1" style="width:100%; border-collapse: collapse;"><tr><td style="width:10%; height: 20px;"></td><td style="width:10%;"></td><td style="width:10%;"></td><td style="width:10%;"></td><td style="width:10%;"></td><td style="width:10%;"></td><td style="width:10%;"></td><td style="width:10%;"></td><td style="width:10%;"></td><td style="width:10%;"></td></tr></table> - <table border="1" style="width:10%; border-collapse: collapse;"><tr><td style="width:10%; height: 20px;"></td></tr></table> - <table border="1" style="width:10%; border-collapse: collapse;"><tr><td style="width:10%; height: 20px;"></td></tr></table>													OR	Taxpayer Identification Number: <table border="1" style="width:100%; border-collapse: collapse;"><tr><td style="width:10%; height: 20px;"></td><td style="width:10%;"></td><td style="width:10%;"></td><td style="width:10%;"></td><td style="width:10%;"></td><td style="width:10%;"></td><td style="width:10%;"></td><td style="width:10%;"></td><td style="width:10%;"></td><td style="width:10%;"></td></tr></table> - <table border="1" style="width:10%; border-collapse: collapse;"><tr><td style="width:10%; height: 20px;"></td></tr></table>											

(if you are a U.S. citizen or resident)

Area Code	Telephone Number (Work)	Area Code	Telephone Number (Home)	Area Code	Fax Number
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E-Mail Address

Check one: Individual Estate Corporation IRA Account Trustee/Custodian Other (specify) _____

**10. SCHEDULE OF TRANSACTIONS IN AMERICAN BUSINESS NOTES, DEBENTURES OR MONEY MARKET NOTES
PLEASE LIST ALL NOTES HELD BY YOU AS OF JANUARY 21, 2005:**

Date You Originally Bought Note (Month / Day / Year)	Dollar Amount of Original Investment	Date Rolled Over, If Any (Month / Day / Year)	Accrued (Unpaid) Interest As of January 21, 2005	Balance As Of January 21, 2005																																																		
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Total dollar amount of Notes, including principal and unpaid interest, as of January 21, 2005: \$ _____
(excluding amounts for Notes bought before January 18, 2002 and not rolled over).

If you exchanged any or all of your Notes in an Exchange Offer (receiving in exchange Preferred Stock and Senior Collateralized Notes), check here: _____

If you require additional space, attach extra schedules in the same format as above. Sign and print your name on each additional page.

11. If one or more of your Notes was paid by American Business after October 21, 2004, and if the Trustee in Bankruptcy of American Business collected some or all of that payment from you as a preference payment, check here: _____.

Specify how much you paid the Trustee here: _____. Please supply supporting documents with respect to this payment you made to the Trustee.

YOU MUST READ THE REMAINDER OF THIS FORM AND SIGN BELOW

12. I hereby warrant and represent that I have not assigned or transferred, voluntarily or involuntarily, any "Released Claims" as defined below.

13. On the Effective Date (as defined in the Settlement) my signature will constitute a full and complete release, remise and discharge by me or, if I am submitting this Proof of Claim on behalf of an estate or one or more other persons, by it, him, her or them, and by my, its, his, her or their heirs, executors, administrators, successors, and assigns of each of the "Released Parties" of all "Released Claims," as defined below. In paragraphs (a) (b) and (c) below, "Action" means *In re American Business Financial Services, Inc. Noteholders Litigation*, Master File No. 05-232 (E.D. Pa.), and "Noteholder Defendants" are the Defendants in this Action.

(a) "Released Claims" collectively means and includes any and all claims or causes of action, debts, suits, rights of action, dues, expenses, sums of money, accounts, bonds, bills, covenants, contracts, controversies, agreements, promises, preferences, fraudulent conveyances, fraudulent transfers, judgments, variances, executions, obligations, demands, rights, liabilities, damages, losses, fees, and costs of any kind, nature and/or description whatsoever, whether class or individual in nature, matured or unmatured, liquidated or unliquidated, accrued or unaccrued, known or unknown, suspected or unsuspected, contingent or non-contingent, whether or not asserted, threatened, alleged or litigated, at law, admiralty, equity, or otherwise, including, without limitation, claims for contribution or indemnification, or for costs, expenses (including, without limitation, amounts paid in Settlement) and attorneys' fees (including, without limitation, costs, expenses and attorneys' fees incurred in connection with this Agreement and the Settlement of the Action), claims for negligence, gross negligence, breach of duty of care and/or breach of duty of loyalty, malpractice, misrepresentation, fraud, breach of fiduciary duty, or violations of any federal, state or local statutes, common law, or other laws, rules or regulations, that now exist or heretofore existed, that have been or could have been asserted or alleged in the Action, or any other forum against the Noteholder Defendants and any other former director or officer of American Business and/or any subsidiary thereof (collectively, with the Noteholder Defendants, the "ABFS D&Os") or any of them whether known or unknown, directly, indirectly, representatively, derivatively or in any other capacity, which arise out of, are based upon or relate to, or are in connection with (i) the claims asserted in the Action; (ii) the purchase, roll-over or other acquisition or retention of the Notes; or (iii) any of the facts, claims, transactions, events, occurrences, acts, disclosures, statements, representations, misrepresentations, omissions or failures to act, or matters of any kind or nature whatsoever, related directly or indirectly to the subject matters referred to, set forth in, or the facts, causes of action, counts or claims for relief which were, might have been, or could have been, asserted, alleged or litigated in the Action. Released Claims also include Unknown Claims.

(b) "Released Parties" means each and all of the ABFS D&Os, their past or present advisors, agents, assigns, administrators, attorneys, banks or investment banks, co-insurers, consultants, employees, estates, executors, heirs, insurers, limited partners or partners, reinsurers, representatives, spouses (present and former), any entity in which any ABFS D&Os has a controlling interest, any member of an individual ABFS D&O's immediate family, or any trust of which any ABFS D&O is the settlor or which is for the benefit of any individual ABFS D&O and/or member(s) of his or her family, but not BDO.

(c) "Unknown Claims" means any Released Claim that any Noteholder Plaintiff or Class member does not know or suspect to exist in his, her or its favor at the time of the release of the Released Parties, that if known by him, her or it, might have affected his, her or its decision to settle and release Released Parties, or might have affected his, her or its decision not to object to this Settlement or not to exclude himself, herself or itself from the Settlement. With respect to any and all Released Claims, the Settling Parties stipulate and agree that, upon the Effective Date, they shall be deemed to have, and by operation of the Final Order shall have, expressly waived the provisions, rights and benefits of any statute, rule or provision which prohibits the release of Unknown Claims, including California Civil Code §1542, which provides:

A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor.

14. Signature

(Sign your name here)

Date

(Joint Claimant Sign your name here)
(All Joint Claimants must sign)

Date

(Type or print Joint Claimant's name here)

Capacity of persons signing (e.g., Beneficial Owner,
Executor, Administrator or Corporate Title)

**ACCURATE CLAIMS PROCESSING TAKES A
SIGNIFICANT AMOUNT OF TIME.
THANK YOU FOR YOUR PATIENCE.**

Reminder Checklist:

1. Please sign the above Proof of Claim and Release, and sign the Substitute Form W-9.
2. Remember to attach copies of your Notes and statements from American Business.
3. Keep a copy of your Proof of Claim form for your records.
4. Mail the form and your documents by January 2, 2009.
5. If you want proof that your Proof of Claim form was received, please send it Certified Mail, Return Receipt Requested.
6. If you move after submitting your Proof of Claim form, please send your new address to the Claims Administrator.

Claims Administrator
In re American Business Financial Services
Noteholders Litigation
Heffler Radetich & Saitta LLP
P.O. Box 360
Philadelphia, PA 19105-0360

FIRST CLASS MAIL

PLEASE FORWARD—IMPORTANT LEGAL NOTICE