

**ECC CAPITAL CORPORATION**

**NOTICE OF STOCKHOLDER ACTION BY LESS THAN UNANIMOUS CONSENT**

**DECEMBER 18, 2019**

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Effective on December 10, 2019, the stockholders of ECC Capital Corporation, a Maryland corporation (the “*Corporation*”), acting pursuant to Article VIII of the charter of the Corporation (the “*Charter*”) and Section 14(b) of Article II of the Bylaws of the Corporation, approved, upon the advice and recommendation of the Board of Directors of the Corporation (the “*Board*”), the amendment and restatement of the Charter (the “*Amendment and Restatement*”) as set forth in the Articles of Amendment and Restatement filed with the State Department of Assessments and Taxation of Maryland (the “*SDAT*”) on the date hereof.

The Amendment and Restatement adds new ownership and transfer restrictions to the Charter that would come into effect if the Board determines that it is no longer in the best interests of the Corporation to qualify as a real estate investment trust (a “*REIT*”) but determines that one or more of the Corporation’s subsidiaries or affiliates, as applicable, should qualify as a REIT. Until such new ownership and transfer restrictions become effective, the existing ownership and transfer restrictions in the Charter remain in effect. The Amendment and Restatement also makes a few related changes to Section 5.7 of the Charter and reflects some additional updated factual matters.

The Amendment and Restatement was approved, by written consent, by the stockholders entitled to cast not less than the minimum number of votes necessary to approve the Amendment and Restatement at a meeting of stockholders. The Articles of Amendment and Restatement may be accessed on the SDAT’s website at <https://egov.maryland.gov/BusinessExpress>.

To request a copy of the Amendment and Restatement, please contact Joe McKnight at [jmcknight@ecccapital.com](mailto:jmcknight@ecccapital.com).

By Order of the Board of Directors,



Kevin Cloyd, Secretary