

RESCAP

LIQUIDATING TRUST

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Q1 2021 Beneficiary Letter

Dear Beneficiaries:

The Trust continued its efforts into 2021 to wind down the Trust effectively and efficiently.

In February 2021, the Trust Board approved the cancellation of 5,705 Units of Beneficial Interest in the Trust that were held in the Undistributed Reserve. As a result of the cancellation of the Units, the total Trust Units outstanding are reduced to 98,853,649 and the Trust Net Asset Value increased by \$.194 million due to release of liability for previously declared distributions associated with the cancelled units.

In August 2020, the Federal District Court in Minnesota entered a judgment of \$5.4 million in favor of the Trust in the matter of Primary Residential Mortgage Inc. In April 2021, the Federal District Court in Minnesota granted the Trust \$16.6 million in attorney fees, costs, pre-judgment interest and post judgment interest on the award plus pre-award interest increasing the total award to \$22.0 million.

The Trust continues to pursue litigation in its insurance recovery action pending in the U.S. Bankruptcy Court for the Southern District of New York. Fact Discovery will be concluded by June 18, 2021, expert discovery will be completed by October 1, 2021 and dispositive motions will be filed by October 29, 2021. The amounts at issue are reflected in the accompanying financial statements.

The Administrative Set Aside of \$39.2 million (net of costs incurred but not yet paid) reflects the extension of the Trust through December 2023 to support the continuing work with the insurance adversary action, the one remaining RMBS litigation noted above, and final wind down actions. A breakdown of the costs is shown in the accompanying financial statements.

To aid Beneficiaries in their tax reporting, the Trust is providing a quarterly Tax Information letter and is being distributed along with this quarterly Beneficiary Letter.

The Trust's quarter end Q1 2021 financial report has been filed with the bankruptcy court. The financial report along with certain tax information have been posted to the Kurtzman Carson Consulting website at <http://www.kccllc.net/rescap>.

The Trust continues to work diligently towards the goal of maximizing value for Beneficiaries in the most efficient manner possible. We look forward to reporting on the results of our efforts.

Sincerely,

ResCap Liquidating Trust Board