

ResCap Liquidating Trust

**Consolidated Financial Statements
as of and for the Period Ended March 31, 2025
(Unaudited)**

ResCap Liquidating Trust

Consolidated Statement of Net Assets in Liquidation

(Unaudited)

In thousands (except per unit)

Assets:	31-Mar-25	December 31, 2024
Cash and cash equivalents	\$ 58,819	\$ 60,435
Total assets	58,819	60,435
Liabilities:		
Estimated costs to operate Trust	25,387	27,633
Total liabilities	25,387	27,633
Net assets in liquidation	\$ 33,432	\$ 32,802
Total units in the Trust	98,853,649	98,853,649
Net assets per authorized unit	\$ 0.34	\$ 0.33

The Notes to Consolidated Financial Statements are an integral part of these statements.

ResCap Liquidating Trust

Consolidated Statement of Changes in Net Assets in Liquidation

(Unaudited)

In thousands

	Quarter to date ended 31-Mar-25	Year to date Ended 31-Mar-25	Effective Date through 31-Mar-25
Receipts			
Receipts on assets held for sale	\$ 3	\$ 3	\$ 645,879
Litigation / claim recoveries	-	-	1,340,462
Interest - MMF	608	608	18,737
Other receipts	31	31	162,718
Plan settlements	-	-	2,100,000
Total receipts	642	642	4,267,796
Disbursements			
Claims and settlement	-	-	(1,642,074)
DOJ / AG consent settlement	-	-	(88,201)
Costs to operate the Trust	(2,258)	(2,258)	(757,417)
Total disbursements	(2,258)	(2,258)	(2,487,692)
Distributions			
Total distributions	-	-	(3,398,766)
Net cash flow	(1,616)	(1,616)	(1,618,662)
Other non-cash changes affecting:			
Increase (decrease) in asset value assumptions	-	-	(55,026)
(Increase) decrease in costs to operate the Trust	(12)	(12)	(576,626)
(Increase) decrease in DOJ/AG consent settlement	-	-	(7,551)
Basis of assets/liabilities liquidated/resolved	2,258	2,258	(224,304)
(Increase) decrease in distributions held for Beneficiaries	-	-	-
Total non-cash changes	2,246	2,246	(863,507)
Total increase (decrease) in net assets	630	630	(2,482,169)
Net assets in liquidation, beginning of period	32,802	32,802	2,515,601
Net assets in liquidation, end of period	\$ 33,432	\$ 33,432	\$ 33,432

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited)

1. Description of Business and Significant Accounting Policies

The ResCap Liquidating Trust ("Trust") was formed in connection with the Plan of Reorganization under chapter 11 of the United States Bankruptcy Code ("Plan") in the bankruptcy case of Residential Capital, LLC ("ResCap"). The Plan became effective on December 17, 2013 ("Effective Date").

The Trust issued units of beneficial interest ("Units"). The Units entitle their holders ("Beneficiaries") to receive a proportionate amount of cash distributions ("Declared Distributions") made by the Trust.

Basis of Presentation

The unaudited Consolidated Financial Statements (the "Statements") reflect the accounts of the Trust and subsidiaries after eliminating all significant intercompany balances and transactions. The Statements reflect all adjustments that are, in management's opinion, necessary for the fair presentation of the results for the periods presented. The Statements have not been prepared in accordance with generally accepted accounting principles; rather they have been prepared using a liquidation basis of accounting, which the Trust considers an appropriate basis of accounting at this time. Assets are stated at their estimated net realizable value, which is the amount of cash into which an asset is expected to be converted during the liquidation period. The Trust also accrues costs that it expects to incur through to the end of its liquidation. The Trust currently accrues costs through December 31, 2026, however, the prosecution of the remaining litigation discussed below, and the corresponding timeline for resolving such litigation through trial or appeals may cause the Trust to be further extended beyond December 31, 2026, resulting in an increase to future accrued costs for such extended periods and a corresponding reduction in cash available as discussed in the subsequent event note below. The Trust will record and value affirmative settlements or judgements when realized and collectability is reasonably anticipated.

2. Estimated Costs to Operate the Trust

Estimated costs to operate the Trust are comprised of the following (in \$000's):

	31-Mar-25		December 31, 2024	
	Accrued	Future	Total	Total
Professional fees (legal, expert, other professional costs)	270 \$	22,530 \$	22,800 \$	25,001
Compensation	375	-	375	375
Document management	-	148	148	149
Information technology	-	955	955	995
Other operating costs	-	1,109	1,109	1,113
Total costs to operate the Trust	645 \$	24,742 \$	25,387 \$	27,633

The estimated cost to operate the Trust is \$25.4 million including \$.6 million of expenses that have been incurred but not yet paid and \$24.7 million of expected future costs for the period April 2025 through December 2026. Of the \$24.7 million cost, \$9.1 million is a cash reserve for future costs for the on-going insurance recovery case pending currently on appeal to the United States Court of Appeal for the Second Circuit, ("Second Circuit") and

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\$15.6 million represents existing contractual obligations and the future costs for the operations and wind-down of the Trust.

3. Commitments and Contingencies

Affirmative Matters

The Trust is pursuing the following affirmative matter:

Insurance Recovery Action - The Trust (along with its co-Plaintiff, the “Plaintiffs”) has an appeal pending in the Second Circuit, ResCap Liquidating Trust v. Certain Underwriters at Lloyd’s, London, et al., Case #25-118. The appeal arises from an adversary proceeding initiated in the Bankruptcy Court, which was subsequently appealed to the United States District Court (the “District Court”). On October 11, 2024 the District Court issued an order declining to adopt the Bankruptcy Court’s Report and Recommendation in part and granting Defendant Insurers’ motion for summary judgment with respect to the application of a certain policy exclusion referred to as the Return of Fee Exclusion. Then, on November 20, 2024, the District Court issued an order adopting the Bankruptcy Court’s Report and Recommendation in part and granting Plaintiff’s motions for summary judgment with respect to the application of another exclusion, referred to as the Mortgage Fee Claim Exclusion. As a result of these two orders, Plaintiff’s claims in the Third Amended Adversarial Complaint dated February 4, 2020 were dismissed with prejudice. Accordingly, the District Court entered final judgment terminating Plaintiffs’ claims on December 16, 2024. The final judgment expressly preserved the portions of the Bankruptcy Court’s Report and Recommendation that were not the subject of the District Court’s October 11, 2024, and November 20, 2024 orders. The Trust’s total claims, with interest exceed \$150 million, excluding attorney fees.

At this time, the Trust cannot predict the outcome of this matter or estimate the possible financial effect of this matter on the Consolidated Financial Statements, and as such, no contingent gains are currently recorded.

4. Subsequent Events

Events subsequent to March 31, 2025, were evaluated through May 6, 2025, the date on which these Consolidated Financial Statements were issued.