

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

.....)	
In re:)	Case No. 12-12020 (MG)
)	
RESIDENTIAL CAPITAL, LLC, <u>et al.</u> ,)	Chapter 11
)	
Debtors.)	Jointly Administered
.....)	

IMPORTANT INFORMATION REGARDING YOUR HOME EQUITY LINE OF CREDIT

1. On May 14, 2012 (the "Petition Date"), Residential Capital, LLC ("ResCap") and certain of its affiliates (collectively, the "Debtors") each filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code").

2. On May 23, 2012, the U.S. Bankruptcy Court for the Southern District of New York approved the Debtors' request to issue this notice to you (the "Notice").

3. You are receiving this Notice because you are currently a borrower under a home equity line of credit mortgage loan ("HELOC") with the Debtors. Prior to the Petition Date, the Debtors have been responsible for advancing draws on your HELOC.

4. **Effective as of May 14, 2012, the Debtors will no longer fund any draws on your HELOC. Therefore, you will no longer be able to borrow any funds that may have otherwise been available under your HELOC. Please be further advised that, if you have any pending draw requests under your HELOC, such requests will not be honored.**

5. Please note that if you previously received a communication from the Debtors suspending your credit line availability, any reinstatement rights or process contained in that prior communication are no longer available. Borrowers in the process of reinstatement will be further notified regarding the cessation of their reinstatement rights.

6. Please remember that your existing loan balance remains outstanding and must be repaid in accordance with the terms of your HELOC agreement. You should continue to send your HELOC payments in the same manner and to the same address as you did before receiving this notice.

7. **IN THE UPCOMING MONTHS, THE DEBTORS WILL ESTABLISH A BAR DATE FOR THE FILING OF PROOFS OF CLAIM BY CREDITORS. YOU WILL RECEIVE NOTIFICATION OF THE BAR DATE. WE ANTICIPATE THAT NOTIFICATION OF THE BAR DATE WILL BE**



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BOTH PUBLISHED IN NATIONAL NEWSPAPERS, AND OUR CLAIMS AGENT WILL POST THE RELEVANT FILING INFORMATION ON ITS WEBSITE (WWW.KCCLLC.NET/RESCAP). TO THE EXTENT THAT YOU BELIEVE THAT YOU HAVE BEEN DAMAGED BY THE DEBTORS' DECISION CONCERNING YOUR HOME EQUITY LINE OF CREDIT, YOU WILL HAVE AN OPPORTUNITY TO ASSERT A CLAIM AGAINST THE DEBTORS' ESTATES BY FILING A PROOF OF CLAIM. YOU CAN OBTAIN A PROOF OF CLAIM FORM BY GOING TO WWW.NYSB.USCOURTS.GOV AND CLICKING ON THE "FORMS" HYPERLINK ON THE LEFT-HAND COLUMN OF THE WEBSITE. YOU MAY HAVE CLAIMS THAT ARISE UNDER COMMON LAW (I.E., BREACH OF CONTRACT, SETOFF), STATE AND/OR FEDERAL STATUTES. YOU SHOULD CONSULT WITH LEGAL COUNSEL WHEN DECIDING UPON THE PROPER COURSE OF ACTION. IF YOU FAIL TO TIMELY FILE A CLAIM, YOU MAY LOSE YOUR RIGHT TO OBTAIN A RECOVERY FROM THE DEBTORS' ESTATES AND MAY BE BARRED FROM ASSERTING SUCH CLAIM AGAINST THE DEBTORS IN THE FUTURE.

8. If you have any questions regarding this notice or the status of your HELOC, please contact the ResCap HELOC Call Center, at (888) 926-3480 or your servicer at the number provided with your HELOC information. Additional information regarding the Debtors' restructuring can be found online at <http://www.kccllc.net/rescap>.

Dated: May 24, 2012
New York, New York