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Proposed Counsel to the Debtors and Debtors in Possession With Respect to All Defendants Except Federal Home Loan Bank of Boston and Federal Home Loan Bank of Chicago

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re:	Case No. 12-12020 (MG)
RESIDENTIAL CAPITAL, LLC, et al.,	Chapter 11
Debtors.	Jointly Administered
RESIDENTIAL CAPITAL, LLC, et al.,	Case No. 12-ap-01671 (MG)
Plaintiffs,	Bankruptcy Case No. 12-12020 (MG)
v.	Jointly Administered
ALLSTATE INS. CO., et al.,	
Defendants.	

SECOND AMENDED NOTICE OF FILING OF PROPOSED ORDER GRANTING DEBTORS' MOTION TO EXTEND THE AUTOMATIC STAY OR IN THE ALTERNATIVE, FOR INJUNCTIVE RELIEF

PLEASE TAKE NOTICE THAT on May 25, 2012, the debtors and debtors in possession in the above-captioned cases (collectively, the "Debtors")[1] filed the *Debtors' Motion*

[1] The names of the Debtors in these cases and their respective tax identification numbers are identified on Exhibit 1 to the Affidavit of James Whitlinger, Chief Financial Officer of Residential Capital, LLC in Support of the Chapter

to Extend the Automatic Stay, or in the Alternative, For Injunctive Relief Enjoining Prosecution of Certain Litigation Against Debtors' Directors and Officers and Non-Debtor Corporate Affiliates (the "Stay Motion") [Docket 4].

PLEASE TAKE FURTHER NOTICE THAT the Debtors hereby submit the proposed order, attached hereto as Exhibit 1, in connection with the Stay Motion. Exhibit 2 attached hereto reflects the amendments to the Amended Proposed Order Granting Debtors' Motion to Extend the Automatic Stay or in the Alternative, for Injunctive Relief, filed July 6, 2012 [Docket 63].

Dated: July 9, 2012
New York, New York

/s/ Joel C. Haims

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11 Petitions and First Day Pleadings, *In re Residential Capital, LLC,* 12-12020 (MG), [Docket No. 6].

Exhibit 1

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re:	)	Case No. 12-12020 (MG)
RESIDENTIAL CAPITAL, LLC, et al.,	)	Chapter 11
Debtors.	)	Jointly Administered
RESIDENTIAL CAPITAL, LLC, et al.,	)	Case No. 12-ap-01671 (MG)
Plaintiffs,	)	Bankruptcy Case No. 12-12020 (MG)
v.	)	Joint Administration Pending
ALLSTATE INS. CO., THE OTHER PARTIES LISTED ON EXHIBIT A TO THE COMPLAINT, JOHN DOES 1-1000,	)	
Defendants.	)	

ORDER GRANTING DEBTORS' MOTION TO EXTEND THE AUTOMATIC STAY OR IN THE ALTERNATIVE, FOR INJUNCTIVE RELIEF

Upon the motion (the "Motion") of the above-captioned debtors and debtors in possession (collectively, the "Debtors") for entry of an Order pursuant to 11 U.S.C. §§ 362(a)(1) and/or 362(a)(3) extending the automatic stay to the continued prosecution of the MBS Actions[1] against the Non-Debtor Affiliates; and/or for entry of an order pursuant to 11 U.S.C. § 105(a) enjoining and prohibiting the continued prosecution of the MBS Actions against the Non-Debtor Affiliates; it appearing that the Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; it appearing that this proceeding is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); it

[1] Capitalized terms used but not otherwise defined herein shall have the meanings set forth in the Motion.

appearing that venue of this proceeding and this Motion in this District is proper pursuant to 28 U.S.C. §§ 1408 and 1409; notice of this Motion and the opportunity for a hearing on this Motion was appropriate under the particular circumstances and that no other or further notice need be given; it appearing that the relief requested is in the best interest of the Debtors' estates, their creditors and other parties in interest; and after due deliberation and sufficient cause appearing therefore, it is hereby

ORDERED, ADJUDGED, AND DECREED THAT:

1. The Motion is approved in its entirety with respect to the MBS Actions listed in paragraph 2 below.

2. The automatic stay is hereby extended to enjoin the continued prosecution of the following MBS Actions (collectively, the "Stayed MBS Actions") against the Non-Debtor Affiliates except as may otherwise be provided by order of this Court:

   a. *Cambridge Place Investment Management Inc. v. Morgan Stanley & Co., Inc.*, 11-0555-BLS2 (Mass. Super. Ct., Suffolk Cnty.);

   b. *Cambridge Place Investment Management Inc. v. Morgan Stanley & Co., Inc.*, 11-0555-BLS2 (Mass. Super. Ct., Suffolk Cnty.);

   c. *FDIC v. Bear Stearns Asset Backed Securities I LLC*, No. 12:12-cv-04000 (LTS) (S.D.N.Y.);

   d. *New Jersey Carpenters Health Fund v. Residential Capital, LLC*, No. 08-cv-8781 (HB) (S.D.N.Y);

   e. *Union Central Life Insurance Co. v. Credit Suisse First Boston Mortgage Securities Corp.*, No. 11-cv-2890 (GBD) (S.D.N.Y.);

   f. *Western & Southern Life Insurance Co. v. Residential Funding Co., LLC.*, No. A1105042 (Ohio Ct. of Comm. P., Hamilton Cnty.).

3. The Stayed MBS Actions are hereby enjoined from prosecution against the Non-Debtor Affiliates until the effective date of a plan of reorganization or as may otherwise be provided in orders of this Court.

4. The Debtors are authorized to take all actions necessary to effectuate the relief granted pursuant to this Order in accordance with the Motion.

5. Notwithstanding the possible applicability of Bankruptcy Rules 6004(h), 7062, 9014 or otherwise, the terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

6. To the extent that this Order is inconsistent with any prior order or pleading with respect to the Motion in these cases, the terms of this Order shall govern.

7. The Court retains jurisdiction with respect to all matters arising from or related to the implementation of this Order.

8. Notwithstanding anything herein to the contrary, this Order shall not modify or affect the terms and provisions of, nor the rights and obligations under, (a) the Board of Governors of the Federal Reserve System Consent Order, dated April 13, 2011, by and among AFI, Ally Bank, ResCap, GMAC Mortgage, LLC, the Board of Governors of the Federal Reserve System, and the Federal Deposit Insurance Corporation, (b) the consent judgment entered April 5, 2012 by the District Court for the District of Columbia, dated February 9, 2012, (c) the Order of Assessment of a Civil Money Penalty Issued Upon Consent Pursuant to the Federal Deposit Insurance Act, as amended, dated February 10, 2012, and (d) all related agreements with AFI and Ally Bank and their respective subsidiaries and affiliates.

New York, New York
Dated: _____, 2012

_____
HONORABLE MARTIN GLENN
UNITED STATES BANKRUPTCY JUDGE

Exhibit 2

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re:	)	Case No. 12-12020 (MG)
RESIDENTIAL CAPITAL, LLC, et al.,	)	Chapter 11
Debtors.	)	Jointly Administered
RESIDENTIAL CAPITAL, LLC, et al.,	)	Case No. 12-ap-01671 (MG)
Plaintiffs,	)	Bankruptcy Case No. 12-12020 (MG)
v.	)	Joint Administration Pending
ALLSTATE INS. CO., THE OTHER PARTIES LISTED ON EXHIBIT A TO THE COMPLAINT, JOHN DOES 1-1000,	)	
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ORDER GRANTING DEBTORS' MOTION TO EXTEND THE AUTOMATIC STAY OR IN THE ALTERNATIVE, FOR INJUNCTIVE RELIEF

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[1] Capitalized terms used but not otherwise defined herein shall have the meanings set forth in the Motion.

appearing that venue of this proceeding and this Motion in this District is proper pursuant to 28 U.S.C. §§ 1408 and 1409; notice of this Motion and the opportunity for a hearing on this Motion was appropriate under the particular circumstances and that no other or further notice need be given; it appearing that the relief requested is in the best interest of the Debtors' estates, their creditors and other parties in interest; and after due deliberation and sufficient cause appearing therefore, it is hereby

ORDERED, ADJUDGED, AND DECREED THAT:

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b. *Cambridge Place Investment Management Inc. v. Morgan Stanley & Co., Inc.*, 11-0555-BLS2 (Mass. Super. Ct., Suffolk Cnty.);

c. *FDIC v. Bear Stearns Asset Backed Securities I LLC*, No. 12:12-cv-04000 (LTS) (S.D.N.Y.);

~~d. *Federal Housing Finance Agency v. Ally Financial, Inc.*, No. 11-cv-07010 (S.D.N.Y.);~~

d. ~~e.~~ *New Jersey Carpenters Health Fund v. Residential Capital, LLC*, No. 08-cv-8781 (HB) (S.D.N.Y);

e. ~~f.~~ *Union Central Life Insurance Co. v. Credit Suisse First Boston Mortgage Securities Corp.*, No. 11-cv-2890 (GBD) (S.D.N.Y.);

f. ~~g.~~ *Western & Southern Life Insurance Co. v. Residential Funding Co., LLC.*, No. A1105042 (Ohio Ct. of Comm. P., Hamilton Cnty.).

3. The Stayed MBS Actions are hereby enjoined from prosecution against the Non-Debtor Affiliates until the effective date of a plan of reorganization or as may otherwise be provided in orders of this Court.

4. The Debtors are authorized to take all actions necessary to effectuate the relief granted pursuant to this Order in accordance with the Motion.

5. Notwithstanding the possible applicability of Bankruptcy Rules 6004(h), 7062, 9014 or otherwise, the terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

6. To the extent that this Order is inconsistent with any prior order or pleading with respect to the Motion in these cases, the terms of this Order shall govern.

7. The Court retains jurisdiction with respect to all matters arising from or related to the implementation of this Order.

8. Notwithstanding anything herein to the contrary, this Order shall not modify or affect the terms and provisions of, nor the rights and obligations under, (a) the Board of Governors of the Federal Reserve System Consent Order, dated April 13, 2011, by and among AFI, Ally Bank, ResCap, GMAC Mortgage, LLC, the Board of Governors of the Federal Reserve System, and the Federal Deposit Insurance Corporation, (b) the consent judgment entered April 5, 2012 by the District Court for the District of Columbia, dated February 9, 2012, (c) the Order of Assessment of a Civil Money Penalty Issued Upon Consent Pursuant to the Federal Deposit Insurance Act, as amended, dated February 10, 2012, and (d) all related agreements with AFI and Ally Bank and their respective subsidiaries and affiliates.

New York, New York
Dated: _____, 2012

_____
HONORABLE MARTIN GLENN
UNITED STATES BANKRUPTCY JUDGE