Exhibit 14

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK

In the matter of the application of

U.S. BANK NATIONAL ASSOCIATION (as Trustee, Securities Administrator, Paying Agent, and/or Calculation Agent under various Pooling and Servicing Agreements),

Petitioner,

For Judicial Instructions Under CPLR Article 77,

Index No. 656028/2021

Justice Andrew Borrok

IAS Part 53

AFFIDAVIT OF JAMES H. ARONOFF

I, James H. Aronoff, being duly sworn, depose and say:

1. I am a Managing Director at CohnReznick, based in New York, and work as a consultant, specializing in, among other things, advising clients on issues relating to asset origination, secured lending, and due diligence, with a particular emphasis in matters relating to specialty finance, distressed debt and capital markets, including workouts and restructuring, structured finance, and residential mortgage-backed securities ("RMBS").

I. Summary

2. I have been retained as an expert witness by Akin Gump Strauss Hauer & Feld LLP on behalf of HBK Master Fund L.P. to offer my opinion in response to the Affidavit of Dean Smith, dated April 3, 2023 (the "Smith Affidavit"). Based on my experience in the RMBS industry, and the supporting material cited herein and in my Initial Affidavit (as hereinafter defined), it is my opinion that, contrary to the opinions offered by Mr. Smith in this case, the common understanding and expectation among RMBS market participants, especially investors, is that a Trustee administering an RMBS securitization trust (a "Trust") will follow the applicable

provisions of the related governing documents (such as the pooling and servicing agreement, or "PSA") of each Trust, including with respect to the distribution of deferred principal payments arising from modified loans ("Deferred Principal Proceeds") among certificateholders.[1]

3. Based on my experience, it is critical to the effective operation of the RMBS market that the plain language of the PSAs govern all aspects of the collection of funds, distributions to certificateholders, write-downs and write-ups of certificate balances, and the administration of each Trust. To RMBS market participants, this means that Deferred Principal Proceeds should not be treated as Subsequent Recoveries, and should not result in the write-up of certificate balances, where the terms of the governing PSA do not so provide.

4. As such, contrary to the opinions offered by Mr. Smith in this case, neither "core principles of structured finance" nor any of the other factors Mr. Smith lists[2] can abrogate, change, or override the plain terms of the governing PSAs without subverting investor expectations and impairing the certainty and predictability such agreements provide to RMBS market participants, especially investors.

5. For the avoidance of doubt, I do not purport to interpret the applicable securitization agreements or other related documents as a legal matter, nor do I offer any legal opinion herein. Rather, I offer my expert opinion herein on the common understanding among structured finance professionals and other participants in the RMBS market regarding the operation of PSAs and the proper treatment of Deferred Principal Proceeds with respect to RMBS administration, based upon

[1] Unless otherwise noted, all defined terms used herein have the same meaning ascribed to such terms in the initial affidavit, dated April 3, 2023, that I submitted in this action (the "Initial Affidavit").

[2] Smith Affidavit ¶ 5. In addition to "core principles of structured finance," Mr. Smith also lists the "business intent of the PSA," industry practice for loan servicing and trust administration, and the intent of the parties at issuance as reasons sufficient to alter or ignore the actual provisions of the related PSAs. I disagree, for the reasons explained herein.

my education and my knowledge, skill, extensive experience, and training with respect to residential mortgage loans and RMBS.

6. A summary of my qualifications and experience, as related to the opinions offered herein, is provided in my Initial Affidavit.

II. The Treatment of Deferred Principal Proceeds in RMBS Trusts

7. RMBS are typically issued as certificates supported by residential mortgage loans held in a trust. RMBS certificateholders receive distributions primarily from the principal and interest payments made with respect to the loans underlying the related trust. Contracts governing RMBS, known as PSAs, typically contain detailed provisions instructing how cash paid into the trust is to be distributed among the different classes, or "tranches," of RMBS certificates. These distribution rules are colloquially referred to as "waterfall provisions." These waterfall provisions dictate the priority of payments to different tranches as well as the distribution amount that each tranche is entitled to receive in any given distribution period.

8. In my experience, the waterfall provisions for each RMBS trust are carefully crafted by the parties to the PSA and are well understood by certificateholders who invest in the trust. These waterfall provisions are very important because they govern the monthly distribution, or payment, that each investor expects to receive. Unlike an investor who buys stock in a corporation, an investor in RMBS has no direct claim on the trust's assets; rather, certificateholders are entitled only to those distributions that the waterfall provisions specify they may receive. As a result, prudent investors in RMBS carefully analyze the waterfall provisions, and the other terms of the governing PSA—including those related to the timing and amount of distributions, and those governing the circumstances under which certificates may be written up—when considering whether to invest in a particular RMBS trust.

9. RMBS investors rely on the understanding among RMBS market participants that the PSAs will be enforced and administered as written. Investors in RMBS agree to take certain types of risk, such as "prepayment risk" (the risk that mortgages will prepay) or "credit risk" (the risk that borrowers will not or cannot repay their mortgages). But investors do not voluntarily assume the risk that key PSA terms, such as those governing write-downs and write-ups and the distribution of payments, will be ignored or changed (other than pursuant to the prescribed amendment procedures) after the deal has closed. Rather, the ability of market participants to know with certainty and predictability that distributions to certificateholders will be made according to the related waterfall provisions of the PSA is paramount to the proper functioning of the RBMS market.

10. Based on my experience in the RMBS industry from various vantage points and my review of the materials connected to this matter, it is my opinion that Deferred Principal Proceeds received by a Trust should be distributed to certificateholders as prescribed in the applicable PSA, and, accordingly, should not be used as justification to write up any Certificates unless the applicable PSA instructs otherwise.

11. As discussed in my Initial Affidavit,[3] industry custom and practice in the RMBS market is to follow the provisions of each Trust's governing PSA, as the PSA is "the backbone of the transaction."[4] To operate outside of the PSA's parameters or to ignore the plain language of the PSA would violate the long standing understanding among market participants, would create unnecessary uncertainty, and would undermine the confidence of RMBS investors that they will ultimately receive the benefits of their bargain.

---

[3] Initial Affidavit ¶ 32.

[4] Stewart McQueen, Gennady A. Gorel, & Chris van Heerden, Dechert and Wells Fargo, *An Investor's Guide to The Pooling and Servicing Agreement*, p. 1.

12. Notably, in an affidavit submitted by Mr. Smith in the Bank of New York Mellon Article 77 proceeding in relation to 530 Countrywide Residential Mortgage-Backed Securitization Trusts,[5] Mr. Smith opined that "RMBS investors need certainty and predictability of cash flows. They rely on the deal language to be applied as written."[6] He further opined that "[i]nvestors reasonably expect the Trustee to pay the certificates in accordance with the PSAs, without modifying the definition of Principal Distribution Amount…."[7]

13. I have reviewed the Smith Affidavit submitted in this matter and have found that aspects of Mr. Smith's opinion represent a misunderstanding of industry custom and practice, disregard for the plain language of the PSAs for the Trusts at issue in this matter, or both. I address some of these concerns herein.[8]

14. Mr. Smith asserts that the receipt of Deferred Principal Proceeds by a Trust should prompt the write-up of certain classes of certificates that had previously been written down when principal was forborne pursuant to a modification agreement.[9] Mr. Smith bases this opinion on a

[5] *The Bank of New York Mellon, in its Capacity as Trustee or Indenture Trustee of 530 Countrywide Residential Mortgage-Backed Securitization Trusts, For Judicial Instructions under CPLR Article 77 on the Distribution of a Settlement Payment*, Index No. 150973/2016, IAS Part 39 (N.Y. Cnty, Sup. Ct.),
[6] Affidavit of Dean Smith, August 26, 2016, *The Bank of New York Mellon, in its Capacity as Trustee or Indenture Trustee of 530 Countrywide Residential Mortgage-Backed Securitization Trusts, For Judicial Instructions under CPLR Article 77 on the Distribution of a Settlement Payment*, Index No. 150973/2016, IAS Part 39 (N.Y. Cnty, Sup. Ct.), ¶ 13.
[7] *Id.* at Section V, Pg. 18.
[8] In my view, the Smith Affidavit is deficient in various respects, the most significant of which are discussed herein. The absence of comment in this declaration as to any particular aspect of the Smith Affidavit should not be interpreted as agreement with any positions taken or opinions offered by Mr. Smith therein.
[9] Smith Affidavit ¶¶ 6, 51-54.

variety of theories, including "core principles of structured finance,"[10] industry custom and practice, and his belief that the PSA contemplates "writing up zero balance classes."[11]

15. In my experience, none of the assertions offered in the Smith Affidavit, nor the general principles cited to support such statements, condone the alteration of or departure from the PSAs' existing provisions regarding the distribution of Deferred Principal Proceeds to certificateholders or the write-up of certificate balances.

16. Overcollateralization and subordination are certainly important features of many RMBS transactions. However, it is well understood by RMBS market participants that the creation and maintenance of the required credit support structure involve separate and distinct transaction features from those concerning the collection and distribution of funds (like Deferred Principal Proceeds). Mr. Smith conflates these two functions. The mere fact that a particular transaction may provide certain certificateholders with specific structural protections in some instances does not mean that those certificateholders must receive favorable treatment in *all* instances, such as receiving write-ups where the PSAs do not provide for them. To put it simply, the commonly accepted understanding within the RMBS industry is that general subordination principles do not, and should not be used to, override or invalidate a particular PSA's plain language and provisions.

17. In my experience, the structural protections provided by subordination or overcollateralization are not necessarily impaired simply because a particular PSA limits the circumstances under which write-ups can occur, or the tranches of certificates that may be written up.

---

[10] Smith Affidavit ¶ 5.
[11] Smith Affidavit ¶ 34.

18. HAMP does not change my opinion on this point. Mr. Smith asserts that certain HAMP directives require deferred principal to be treated as a Realized Loss as an accounting matter,[12] but he ignores that those directives do not specify how the ultimate *collection* of those principal payments by the Trust, i.e., Deferred Principal Proceeds, should be administered. I am not aware of any HAMP requirement or directive that instructs how forborne principal should be applied if repaid.[13] Mr. Smith himself acknowledges that instructions to write up Certificates upon the receipt of Deferred Principal Proceeds "were not explicitly incorporated in any official safe harbor…."[14] Simply put, HAMP does not provide a rationale to alter the related PSAs with respect to write-downs, write-ups, or the distribution of payments with respect to Deferred Principal Proceeds.

19. Mr. Smith also contends that the PSAs allow certificates that have been written down to zero to be written back up,[15] and that construing the PSAs to prohibit write-ups and allow distributions of Excess Cashflow to Class C or CE Certificates[16] would "violate basic principles of structured finance and the business intention of the transaction participants,"[17] This contention is incorrect and illustrates a lack of appreciation of the primacy of the PSAs in trust administration.

20. The PSAs at issue in this litigation do not contain any provisions whereby certificate balances are "written-up," except in connection with Subsequent Recoveries.[18]

---

[12] Smith Affidavit ¶ 6.
[13] Making Home Affordable Program, Handbook for Services of Non-GSE Mortgages, Version 5.3, February 5, 2019, Section 6.6.2, Pg. 124.
[14] Smith Affidavit ¶ 57.
[15] Smith Affidavit ¶¶ 32, 34.
[16] This class of certificates is referred to as "Class C" in some Trusts and "Class CE" in others. For simplicity, and consistent with my Initial Affidavit, I refer to these certificates as "Class CE" certificates herein.
[17] Smith Affidavit ¶54.
[18] In my experience, the term "Subsequent Recovery" includes only certain types of payments received by the Trust, as defined in each particular Trust's PSA. I understand that no party that

Departing from the plain terms of the related PSA in order to accommodate Mr. Smith's desired outcome would "violate basic principles of structured finance"[19] in a significantly more egregious manner than any result that might occur by enforcing the PSAs as written. Whether or not the events precipitating the HAMP directive and, ultimately, the payment of Deferred Principal Proceeds to the Trusts were anticipated by RMBS market participants, basic principles of structured finance provide no justification for ignoring or rewriting the governing documents RMBS investors relied upon when purchasing the certificates.

21. Relatedly, Mr. Smith's opinion that distributions of Deferred Principal Proceeds to Class CE Certificates "should not occur under any circumstances"[20] ignores the bargained-for allocation of risks and benefits reflected in each Trust's PSA. As explained in my Initial Affidavit, the requirement that collections flow to the Class CE Certificates after the Primary Classes' balances fall to zero is a bargained-for feature of the Trusts at issue here.[21] Put simply, by investing in Trusts with PSAs containing this feature, these Trusts' investors (in both the Primary Class Certificates and the Class CE Certificates) accepted the possibility that the unpaid certificate balance of the Primary Classes could be reduced to zero (by distributions, losses or a combination of both) with loans still remaining in the Trusts, and that any further collections after that point would flow to the Class CE Certificates. Regardless of how likely or unlikely the parties thought that possibility was at the Trusts' inception, the fact that it has now come to pass does not justify

---

has submitted briefing in this matter argues that the term "Subsequent Recovery," as used in the PSAs at issue here, includes Deferred Principal Proceeds. I understand that some parties argue that Deferred Principal Proceeds should be treated ***in a manner similar to*** a Subsequent Recovery. However, as explained throughout this affidavit, to do so would require either ignoring or amending the plain terms of the related PSAs, which would controvert RMBS industry custom and practice.

[19] Smith Affidavit ¶ 54.

[20] Smith Affidavit ¶ 54.

[21] Initial Affidavit ¶¶ 34-37.

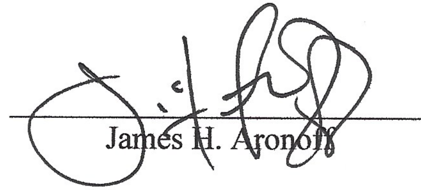
departing from or rewriting PSA terms that investors expressly agreed to. To the contrary, doing so would not only deprive the Class CE Certificateholders of the benefit of their bargain, but more generally, would imperil RMBS market participants' expectation that the PSAs will be enforced according to their terms, *not* rewritten years after the Trusts are issued to grant a particular outcome.

22. Rewriting and abrogating PSA provisions after a RMBS has closed and after the certificates have been issued and sold would do violence to the certainty and predictability that is essential to the RMBS market. Investors would be unable to bargain for the risk profiles and cash flow characteristics they desired if the related PSA could be ignored or rewritten. If investors cannot reasonably ascertain the distributions from RMBS certificates they expect to receive in the future, they likely will be unwilling purchase these complex securities. In order to preserve the existing levels of certainty and predictability in the RMBS market, the provisions of the governing documents, especially with respect to certificateholder payments, must be followed as written, regardless of any events occurring after the Trusts' issuance that may or may not have been anticipated by the transaction parties from the outset.

23. I reserve the right to amend or supplement this Affidavit.

I declare under penalty of perjury that the foregoing is true and correct.

Submitted: June 21, 2023



James H. Aronoff

Sworn to before me
on this 21st day of June, 2023

Notary Public

Qais Azizi
NOTARY PUBLIC, STATE OF NEW YORK
Registration No. 01AZ6432635
Qualified in Suffolk County
Commission Expires 05/02/2026

CERTIFICATE OF COMPLIANCE

This affidavit complies with this Court's so-ordered 8,500-word limit because it contains 2,632 words (using the "word count" function of Microsoft Word), excluding the parts of the brief exempted by Rule 17 of the New York Commercial Division Rules.

Dated: June 21, 2023

/s/ Uri A. Itkin
Uri A. Itkin