# Exhibit E

**Hon. Anthony J. Carpinello (Ret.)**
**3 Huntswood Lane**
**East Greenbush, New York 12061**

May 5, 2014

To: The Bank of New York Mellon; The Bank of New York Mellon Trust Company, N.A.; Deutsche Bank National Trust Company; HSBC Bank USA National Association; Law Debenture Trust Company of New York; U.S. Bank National Association; Wells Fargo Bank, N.A.; and Wilmington Trust, National Association, each solely in their capacity as Trustees for the Trusts as defined below (the "Trustees")

Re: Proposed RMBS Trust Settlement Agreement (the "Proposed Settlement Agreement") dated November 15, 2013 by and among JP Morgan Chase & Co. and its direct and indirect subsidiaries and certain institutional investors, relating to certain RMBS trusts (the "Trusts")

I have been retained by the Trustees identified above to provide an analysis of certain legal issues relating to a Proposed Settlement Agreement dated November 15, 2013, between JP Morgan Chase & Co. and the purchasers of interests in certain real estate mortgage backed securities trusts (hereinafter the "Trusts"). Specifically, I have been asked to provide my legal opinion as to the applicable Statute of Limitations for claims that are to be released by the Settlement Agreement. I am aware that in connection with the Proposed Settlement Agreement, the Trustees and JP Morgan Chase have entered into a Tolling and Forbearance Agreement dated November 6, 2013, (as extended on January 13, 2014 and March 4, 2014) which incorporates by reference certain additional tolling agreements entered into between Gibbs and Bruns, certain of its clients, and JP Morgan Chase dated May 23, 2012 (as extended on September

21, 2012, November 15, 2012, May 17, 2013), which tolled the applicable Statute of Limitations period for many of the Trusts from May 23, 2012 to June 16, 2014.

I understand that the claims which are the subject of the Settlement Agreement arise from the securitization of pools of residential mortgage loans by JP Morgan Chase (or its subsidiaries or predecessors in interest). These mortgage loans were transferred to the Trusts, which in turn issued certificates that were sold to investors. The certificates represented beneficial ownership interests in the trusts, the value of which ultimately depended in part on the quality of the underlying mortgage loans themselves. As part of these transactions, JP Morgan Chase made representations and warranties respecting these loans, including, without limitation, their compliance with certain underwriting standards. Under certain circumstances, in the event of a breach of these representations and warranties JPMorgan was required to cure the breach or repurchase the nonconforming loans. The gist of the claims encompassed by the Settlement Agreement relate to allegations by the investors that JP Morgan Chase breached its contractual obligations.

The precise issue upon which I have been asked to opine is what is the applicable Statute of Limitations period for these claims and what are the events which cause the Statute of Limitations period to begin to run. It should be noted that the operative documents respecting these representations and warranties provide that they are to be governed by the substantive law of New York, and for that reason, I believe that I am qualified to render this opinion. For over 20 years I was engaged in the practice of law in New York and was a partner in a firm which specialized in commercial litigation and I regularly appeared in state and federal courts, both trial and appellate, on issues involving commercial paper, residential and commercial loan foreclosure and indenture trustee rights and obligations.

Subsequent to my years of private practice, I was elected as a New York State Supreme Court Justice and spent twelve and a half years of my fourteen year term as an Associate Justice of the New York State Supreme Court, Appellate Division, Third Department (an intermediate appellate court). That Court had jurisdiction over all appeals from all state courts in 28 counties. The caseload of

that Court required my participation in over 12,500 appeals during my tenure on the Court. Breach of contract claims and issues of Statute of Limitations were regularly included among those cases. Prior to rendering my opinion, I have conducted my own independent legal research. To the extent not specifically cited herein, cases reviewed by me prior to rendering my opinion are listed as an addendum attached hereto. It is my understanding that the Trustees and their professional advisors, both legal and financial, will rely on my opinion as a factor in their evaluation of the propriety of the Proposed Settlement.

In New York, the Statute of Limitations defines the time period within which a court action must be commenced or otherwise be forever barred from suit. The specific Statute of Limitations for breach of contract claims is six years (see N.Y. CPLR 213 [2]). At the outset, the process for determining whether a claim is time-barred requires the establishment of the date when the claim "accrues", that is, the date from which the Statute of Limitations period first begins to run (see N.Y. CPLR 203 [a]). The Court of Appeals, the state's highest court, has ruled that a cause of action for breach of contract accrues at the time of the breach (see Ely-Cruikshank Co. v Bank of Montreal, 81 NY2d 399 [1993]). Stated differently, "that is, when all of the facts necessary to the cause of action have occurred so that the party would be entitled to obtain relief in court" (Aetna Life & Cas. Co. v Nelson, 67 NY2d 169, 175 [1986]).

The majority of courts, both federal and state, which have had to address the issue of when the six-year Statute of Limitations begins to run on claims for violations of the type of representations and warranties allegedly committed by JP Morgan Chase, have held that the violations occurred as of the date that the Trusts were funded or "closed" because the Trustees would have been entitled to sue for those violations when the representations and warranties were first made. The rationale for this holding is that if the pooled loans failed to comply with applicable underwriting standards, for example, that failure existed as of, and therefore the cause of action accrued on, the day of closing of each Trust.[1]

[1] Some of the cases make a distinction between the "as of" date cited at the beginning of the operative documents as opposed to the actual date when the documents were signed, closings held and the Trusts funded. It is clear that the latter date is the only relevant date.

The rule acknowledges the possibility that the breach of contract may occur on a date before an actual loss is suffered (see National Life Ins. Co. v Hall & Co. of N.Y., 67 NY2d 1021 [1986]) and "even though the injured party may be ignorant of the existence of the wrong or injury. Thus, knowledge of the occurrence of the wrong on the part of the (investors or the Trustees) is not necessary to start the Statute of Limitations running" (Ely-Cruikshank Co., supra at 403, internal quotes and citations omitted).

This accrual rule in contract cases has been reaffirmed by the Court of Appeals as recently as 2012 in a suit involving claims of amounts owed by an insured to its insurance carrier for past due premiums. Even though there was no real dispute as to the amount of money due and owing pursuant to the contracts between the parties, nonetheless, the Court affirmed the dismissal of all claims that had accrued more than six years prior to the commencement of the action (see Hahn Automotive Warehouse, Inc. v American Zurich Ins. Co., 18 NY3d 765 [2012]). The Court of Appeals, in a 4 to 3 decision, defined the date of accrual as the date when the insurance company could have first sued for the premiums, not the later date on which it actually sent invoices demanding payment. The Court explained that the general rule in New York is that a "cause of action accrues when the party making the claim possesses a legal right" to make the demand, not when the demand actually occurs (Hahn Automotive Warehouse, Inc., supra at 770). This prevents a plaintiff from indefinitely extending the running of the Statute of Limitations by waiting to make a demand, a rule that is also codified in New York (see N.Y. CPLR 206 [a]).[2] The three judge dissent in that case protested the unfairness of the accrual rule; nonetheless the majority adhered to the rule. In light of the closeness of the question, one cannot predict with certainty how the Court of Appeals will rule if the issue of accrual of a cause of action in a securitization case is before the Court.

These principles have recently been applied by the Appellate Division, First Department (a sister court of my former court) in a case involving claims of

[2] Under N.Y. CPLR 206 [a], "where a demand is necessary to entitle a person to commence an action, the time within which the action must be commenced shall be computed from the time when the right to make the demand is complete (emphasis added)."

breach of representations and warranties against a firm which securitized pools of residential mortgages. In ACE Sec. Corp. v DB Structured Prods., Inc. (112 AD3d 522 [1st Dept. 2013]), the Court reversed a ruling by the trial court which failed to dismiss a complaint based upon expiration of the Statute of Limitations. Citing to prior Court of Appeals precedent, the Appellate Division dismissed the claims as time-barred because they accrued on the closing date of the operative documents "when any breach of the representations and warranties contained therein occurred" (ACE Securities, supra at 523), which date was more than six years prior to the commencement suit by the trustee. To the extent that the Court considered the 60 and 90 day time periods set forth in the operative documents governing notification of and an opportunity to cure the alleged violations of the representations and warranties, the Court found such time periods relevant only on the issue of whether a condition precedent to filing suit had been complied with. These time periods had no effect on the calculation of the expiration of the Statute of Limitations. Applying these principles to the Trusts which are the subject of the Proposed Settlement Agreement, claims relating to violations of representations and warranties in any specific Trust would be time-barred six years from the date of closing.

The counter-argument for the accrual-on-closing rule is predicated on the theory that JP Morgan Chase has a continuing obligation to remedy its violations of representations and warranties and that the Statute of Limitations for this continuing obligation does not accrue until the date of a refusal to cure after due demand by the Trustees. This argument is predicated largely on the Court of Appeals holding in Bulova Watch Co. v Celotex Corp. (46 NY2d 606 [1979]). That case involved a claim against a roofing material supplier for breach of warranty of its product. In addition to the sale documentation, the supplier provided to the purchaser a separate bond prominently countersigned by a surety company promising to remedy any defects within 20 years of sale. The Court of Appeals held that the cause of action for breach of warranty accrued at the same time of sale. However, the Court went on to note that a breach of the bond occurred when the duty to perform the repair arose any time within the 20 year period of the bond. It is clear from a reading of that decision that the Court was influenced

by the supplier having provided to the purchaser a separate bond which "embod(ied) an agreement distinct from the contract to supply roofing materials" (Bulova Watch Co., supra at 610).

Applying the Bulova Watch rationale to the subject Trusts, the counter-argument construes the Trusts operative documents as imposing a recurring obligation that lasts for the life of the Trusts. Thus, the obligation is not breached, and the Statute of Limitations does not accrue, until there is a failure or refusal by JP Morgan Chase to cure or repurchase defective loans. Since the ACE Securities decision, all of the courts, both federal and state (with one exception), which have been confronted with the argument that Bulova Watch governs the accrual date for breaches of representations and warranties in residential mortgage backed securitization cases have rejected same. Consequently, in the calculus of whether the accrual-on-closing rule governs for the Trusts which are the subject of the Proposed Settlement Agreement, or whether the continuing obligation rule governs, I would accord little weight to the Bulova continuing obligation counter-argument.

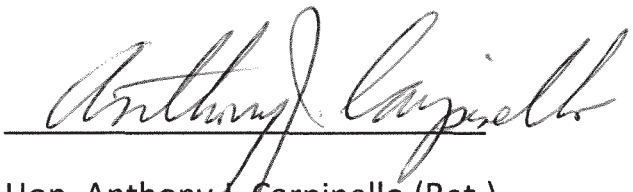
While there can never be guarantees, and as stated above, the New York Court of Appeals has yet to rule directly on the issue of when the Statute of Limitations accrues in real estate mortgage securitization cases, it is my opinion that any federal or state court applying New York law would likely dismiss any lawsuit and thus preclude any recovery, for any representation and warranty claims relating to any Trusts which closed six years prior to the effective date of any applicable tolling agreement or the commencement of litigation. Indeed, the rule is so well established that I have found only one case that has failed to follow it. In a two sentence, hand-written notation on the face of a motion for reconsideration, Federal District Court Judge Hellerstein from the Southern District of New York noted that the ACE Securities decision did not change his view "that the contract was breached not at the time of closing but at the time of failure to cure." I view Judge Hellerstein's ruling as contrary to the weight of current authority.

The rule that the six year Statute of Limitations for claims relating to violations of representations and warranties accrues on the date of closing applies regardless of how these claims are denominated; that is regardless of whether they are characterized as a breach of the representations and warranties themselves, or a breach of an obligation to give notice of the breach, or a breach of an obligation to enforce claims for the violations against others, or breach of an obligation to cure the breach or repurchase the loan, or claims for incomplete documentation for the loans, because all such varied denominations for these claims were actionable as of the date of closing of the respective Trusts.

I have also been asked whether there are any equitable considerations which may have an impact on the Statute of Limitations issue. While parties in real estate mortgage securitization cases have argued that the doctrine of equitable estoppel should bar a party from asserting the expiration of the Statute of Limitations, in New York, its application is limited to the rare situation in which the defendant's "affirmative wrongdoing and concealment" produced the delay in bringing suit (see General Stencils v Chiappa, 18 NY2d 125 [1966]). That case involved an embezzling bookkeeper and the inherent secrecy of her own conduct prevented the timely filing of the case. Courts which have considered this issue in this context have held that the breaches of representations and warranty which are the subject of the Settlement Agreement are not the type of active concealment that would implicate equitable estoppel (see Rizk v Cohen, 73 NY2d 98 [1989]; see also N.Y. General Obligations Law Section 17-103 [4] [b]).

One final observation is required. At the outset I noted that this opinion was based on the applicable Statute of Limitations for violations of the representations and warranties contained in the Trusts' operative documents. The Proposed Settlement Agreement also refers to "Servicing Claims" against JP Morgan Chase. I understand such claims to include claims which are unrelated to the representations and warranties made at the time the Trusts were established. If JP Morgan (or its subsidiaries) failed to perform obligations in servicing the underlying loans after the trusts were closed, including, for example, failing to properly foreclose on defaulted loans, then these claims would have accrued as of the date of such conduct and would not be governed by the Trust closing dates.

I trust that this opinion is responsive to your inquiry. Should you require any further clarification please do not hesitate to contact me.



Hon. Anthony J. Carpinello (Ret.)

## ADDENDUM

1. ACE Securities Corp. Home Equity Loan Trust, Series 2007-HE3, by HSBC Bank USA v. DB Structured Products, Inc., Case 1:13-cv-01869-AJN (S.D.N.Y. March 20, 2014)

2. U.S. Bank National Association, solely in its capacity as Trustee of the Home Equity Asset Trust 2007-1 (HEAT 2007-1) v. DLJ Mortgage Capital, Inc., No. 650369/2013, Slip Op. No. 2014 NY Slip Op 50029[U] (NY Sup. Ct. Jan. 15, 2014)

3. Home Equity Mortgage Trust Series 2006-1 v. DLJ Mortgage Capital, Inc. and Select Portfolio Servicing, Inc., No. 156016/12, Slip Op. No. 2014 NY Slip Op 30081[U] (NY Sup. Ct. Jan. 10, 2014)

4. Lehman XS Trust, Series 2006-4N, by U.S. Bank National Association v. GreenPoint Mortgage Funding, Inc., No. 13 Civ. 4707 (SAS) (S.D.N.Y. Jan. 10, 2014)

5. Federal Housing Finance Agency, on behalf of the Trustee of the Securitized Asset Backed Receivables LLC Trust 2006-WM4 (SABR 2006-WM4) v. WMC Mortgage, LLC f/k/a WMC Mortgage Corp., Case 1:13-cv-0584-(AKH) (S.D.N.Y. Dec. 17, 2013 and Jan. 7, 2014 )

6. Home Equity Asset Trust 2006-5 v. DLJ Mortgage Capital, Inc., No. 652344/2012, Slip Op. No. 2014 NY Slip Op 50001[U] (NY Sup. Ct. Jan. 03, 2014)

7. Nomura Asset Acceptance Corporation Alternative Loan Trust, Series 2006-S2, by HSBC Bank USA, National Association v. Nomura Credit & Capital, Inc., No. 651827/2012 (NY Sup. Ct. Dec. 23, 2013)

8. ACE Securities Corp., etc. v. DB Structured Products, Inc., No. 650980/2012 (NY Sup. Ct. Dec. 19, 2013)

9. Glaski v. Bank of America, N.A., 218 Cal. App. 4$^{th}$ 1079, 160 Cal. Rptr.3d 449 (Cal. App. 5th Dist. July 31, 2013)

10. Galena Street Fund, L.P. v. Wells Fargo Bank, N.A., Case 12-cv-00587-BNB-KMT (D. Colo. May 15, 2013)

11. ACE Securities Corp., etc. v. DB Structured Products, Inc., No. 650980/2012, 965 N.Y.S.2d 844 (NY Sup. Ct. May 13, 2013)

12. Nomura Asset Acceptance Corporation Alternative Loan Trust, Series 2005-S4, by HSBC Bank USA, National Association v. Nomura Credit & Capital, Inc., No. 653541/2011 (NY Sup. Ct. May 10, 2013)

13. Knights of Columbus v. The Bank of New York Mellon, No. 651442/2011 (NY Sup. Ct. April 26, 2013)

14. Lehman Brothers Holdings, Inc. v. Evergreen Moneysource Mortgage, Co., 793 F. Supp. 2d 1189 (W.D. Wash. June 6, 2011)

15. Structured Mortgage Trust 1997-2 and CAX DTR Securitization Corp. v. Daiwa Finance Corp., No. 02 Civ. 3232(SHS), 2003 WL 548868 (S.D.N.Y. Feb. 25, 2003)

16. Ace Securities Corp. Home Equity Loan Trust, Series 2006-HE4 by HSBC Bank USA, National Association v. DB Structured Products, Inc., No. 653394/2012, 2014 WL 1384490 (N.Y. Sup. Ct. April 4, 2014)

17. Lehman XS Trust, Series 2006-GP2, by U.S. Bank National Association v. Greenpoint Mortgage Funding, Inc., Nos. 12 Civ. 7935(ALC)(HBP), 12 Civ. 7942(ALC)(HBP), 12 Civ. 7943(ALC)(HBP), 2014 WL 1301944 (S.D.N.Y. March 31, 2014)

18. Deutsche Bank Nat'l Trust Co. v. WMC Mortgage, LLC, No. 3:12-cv-00933(CSH), 2014 U.S. Dist. LEXIS 43130 (D. Conn. March 31, 2014)

19. Wells Fargo Bank, National Association, as Trustee for Commercial Mortgage Pass-Through Certificates, Series 2002-CIBC4 v. JPMorgan Chase Bank, National Association, No. 12 Civ. 6168 (MGC), 2014 WL 1259630 (S.D.N.Y. March 27, 2014)

20. Home Equity Mortgage Trust Series 2006-5, by U.S. Bank National Association v. DLJ Mortgage Capital, Inc. and Select Portfolio Servicing, Inc., No. 653787/2012 (NY Sup. Ct. January 27, 2014)

21. Federal Housing Finance Agency, on behalf of the Trustee of the Ace Securities Corp. Home Equity Loan Trust, Series 2006-FM1 v. DB Structured Products, Inc., No. 652978/2013 (NY Sup. Ct. March 17, 2014)

22. Citigroup Mortgage Loan Trust 2007-AMC3 v. Citigroup Global Markets Realty Corp., 13 Civ. 2843 (S.D.N.Y. March 31, 2014)

23. U.S. Bank National Association, solely in its capacity as Trustee of the Home Equity Asset Trust 2007-3 (HEAT 2007-3) v. DLJ Mortgage Capital, Inc., No. 651563/2013, (NY Sup. Ct. April 21, 2014)