

# Stephen S. Kudenholdt

## Partner



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## Overview

Stephen Kudenholdt is Dentons' Head of Structured Finance and a member of the US Capital Markets practice. Stephen is recommended by *The Legal 500 US* as "truly one of the more well-known lawyers in the mortgage space." His areas of practice include residential mortgage-backed securities (RMBS), commercial mortgage-backed securities (CMBS) and other asset-backed securities (ABS), primarily focusing on residential mortgage loan securitization as well as re-securitization transactions involving various classes of mortgage-backed securities. He represents issuers, underwriters, loan sellers and other entities in public offerings and private placements.

Ranked Band 1 by *Chambers Global* (2018) and Band 1 by *Chambers USA* (2019) for ten consecutive years, Stephen has been praised by clients as "really smart," an "excellent lawyer with a lot of presence" and "one of the leading lights of RMBS." He has helped develop many transaction structures and formats that have become industry standards, including shifting interest subordination techniques. His recent transactional work includes representing both issuers and underwriters in the securitization of distressed assets by federal agencies, and also in the re-emerging private RMBS markets.

Stephen, who is described by *Chambers USA* as "one of the grandmasters of the industry," is a member of the board of directors of the Structured Finance Industry Group (SFIG), and is actively involved in a number of SFIG committees and initiatives pertaining to LIBOR transitioning, residential mortgages and RMBS. He is also a frequent writer and public speaker on regulatory developments affecting securitizations.

## Experience

- **Credit Suisse Securities (USA) LLC:** Represented in its program for the offering of private label residential mortgage-backed securities under Rule 144A, backed by newly originated prime jumbo mortgage loans purchased from various originators by DLJ Mortgage Capital Inc.
- **Seller:** Represented in the issuance of notes secured by receivables comprised of rights under agreements pursuant to which passenger cars and other vehicles are financed for consumers located in the United Kingdom. Dentons' US Region advised with respect to the placement of the American tranche in the United States pursuant to Rule 144A.
- **US Federal Deposit Insurance Corporation (FDIC):** Represented in connection with FDIC 2013-R1 Trust,

the agency's third RMBS transaction under its government guaranteed pilot securitization program of residential mortgage loans formerly owned by failed bank institutions.

- **Barclays Capital:** Represented as lead underwriter with respect to the National Credit Union Administration's (NCUA)'s issuance of approximately US\$30 billion of government guaranteed asset backed securities through mid-2011 under the NCUA Guaranteed Notes (NGN) program.
- **SFIG:** Advised on its April 28, 2014, comment letter to the US Securities and Exchange Commission (SEC) regarding Regulation AB II and privacy law issues, and also on its August 11, 2014, comment letter to the US Treasury regarding the future of the private label RMBS market.
- **Major residential mortgage loan conduit:** Represented in connection with shelf registration statement filings and numerous public offerings of MBS and ABS, using a wide variety of credit supports and multiple class structures. Stephen represented this client in its first revolving securitization of open-end home equity loans, using a novel structure developed for the issuer.
- **Several major investment banks:** Represented in a wide variety of mortgage securitization transactions, including subprime and home equity loans, commercial and multifamily mortgage loan securitizations, flow delivery programs, repo programs and joint ventures.
- **FDIC:** Represented as receiver and guarantor in connection with the issuance of approximately US\$1.8 billion of FDIC Structured Sale Guaranteed Notes, Series 2010-S1. It was one of four FDIC deals that collectively won the "US Securitization" category for 2010, as published by *Credit* magazine in its "Deals of the Year 2010" edition.
- **Multiple clients:** Assisted with developing a variety of new products and structures, including an insured trade receivables program for US exports to Mexico, a collateralized bond obligation (CBO) transaction backed by MBS and ABS, techniques for using derivatives in structuring MBS and ABS, and synthetic risk transfer transactions involving consumer receivables.

## Recognition

### Honors and Awards

- Recognized as the 2020 "Lawyer of the Year" in Securitization and Structured Finance Law by *Best Lawyers in America*
- Band 1 for Capital Markets: Securitization—Nationwide,*Chambers USA* (2010–2019)
- Band 1 for Capital Markets—USA,*Chambers Global* (2013–2018)
- Recommended Lawyer, Finance: Structured Finance, *The Legal 500 US* (2013–2019)
- Market Leader, Structured Finance and Securitisation, *IFLR1000* (2019)
- *Best Lawyers in America*, Securitization and Structured Finance (2006–2020)
- The Best of the Best 2017, Structured Finance and Securitization, Euromoney Legal Media Group's *Expert Guides*
- *Who's Who Legal 100*, Capital Markets (2014) and listed in *Who's Who Legal* (2015)
- Super Lawyers Metro Edition 2008 in "Securities and Corporate Finance," *Law and Politics*, September 2008
- New York Super Lawyers in "Securities and Corporate Finance," *Law and Politics*, September 2007
- 2007 New York Area's Best Lawyers in "Structured Finance," *New York Magazine*
- Cited in *International Financial Law Reviews* 2007 Guide to the Leading Structured Finance and

- Cited in "Securitization and Derivatives," *The Legal 500*, 2007

## Insights

- "LIBOR—Hazards on the Road to Reform," *The Journal of Structured Finance*, Spring 2018
- "Regulatory Briefing – Detailed Overview of SEC's Regulation AB II Final Rule," Structured Finance Industry Group (SFIG), September 2014
- "The Dodd-Frank Act and the CFPB," *The Law of Truth in Lending*, ed. Alvin C. Harrell, American Bar Association Business Law Section, August 2014
- "FHFA Common Securitization Platform and the Potential for GSE Risk Sharing," *The Journal of Structured Finance*, Spring 2013
- "The Massachusetts Supreme Judicial Court Foreclosure Decisions: The Impact on the Securitization Documentation Process," *The Banking Law Journal*, March 2011
- "Commentary on Transfers of Mortgage Loans to RMBS Securitization Trusts," Dentons client alert, October 18, 2010
- "Summary and Analysis of the Effect of the Dodd-Frank Wall Street Reform and Consumer Protection Act on the Securitization Industry," Dentons client alert, August 9, 2010
- "Financial Regulatory Reform Conference Report Adopted; US House and Senate to Now Consider," Dentons client alert, June 25, 2010
- "Senate Passes Its Version of Financial Regulatory Reform Legislation," Dentons client alert, May 21, 2010
- "Proposed Revisions to Regulation AB and Rules Governing Structured Finance Products," Dentons client alert, May 14, 2010
- "Chairman Dodd Releases Revised Financial Regulatory Reform Bill," Dentons client alert, March 15, 2010
- "Impact of the Homeowner Affordability and Stability Plan on Securitization Transactions," Dentons client alert, June 8, 2009
- "Term Asset-Backed Securities Loan Facility (TALF) Expanded to Cover Legacy CMBS," Dentons client alert, May 27, 2009
- "Term Asset-Backed Securities Loan Facility (TALF) Expanded to Cover CMBS," Dentons client alert, May 4, 2009
- "Legacy Loans Program: Comment Letter to the FDIC," Dentons client alert, April 13, 2009
- "Summary and Analysis of the Public-Private Investment Program," Dentons client alert, March 27, 2009
- "SEC CRA Re-Proposed Amendments: Joint Letter from ASF and SIFMA," Dentons client alert, March 26, 2009
- "ASF Streamlined Foreclosure and Loss Avoidance Framework," *Thacher Proffitt Structured Finance Notes*, December 21, 2007
- "Disclosure of Loan-Level Information to Investors: Securities and Privacy Law Concerns," *Global Securitisation and Structured Finance*, June 1, 2007

## Activities and Affiliations

## Presentations

- Speaker, "RMBS Hot Topics," the SFIG Legal Forum 2019, New York, June 4, 2019
- Speaker, "Market Update: Residential Mortgage-Backed Securities" and "LIBOR: The Road Ahead for Securitization Markets," Practising Law Institute's New Developments in Securitization, New York, Dec. 12, 2018
- Moderator, "How to Value the RMBS 2.0 Market - Beyond Just Credit," Structured Finance Industry Group's Residential Mortgage Finance Symposium, New York, Oct. 30, 2018
- Moderator, "LIBOR Cessation, Replacement and Continuation: An Update on Proposed Alternative Rates and the Impact on Asset Backed Securities," IMN's 24th Annual ABS East Conference, Miami, Sep. 25, 2018
- Panelist, "How do we avoid a 'train wreck' when LIBOR goes away?," SFIG Legal Forum, New York, June 27, 2018
- Speaker, "LIBOR: The Way Forward," Dentons Client Presentation, Spring 2018
- Panelist, "Bye-BOR? The Industry Impact if LIBOR Goes Away in 2021 and Mitigants to those Actions," SFIG Vegas, Las Vegas, Feb. 28, 2018
- Roundtable participant, Joint Trade LIBOR Forum, hosted by Structured Finance Industry Group, CRE Finance Council, Loan Syndications & Trading Association and Securities Industry and Financial Markets Association, Jan. 18, 2018
- Speaker, "Market Update: CMBS and RMBS," Practising Law Institute's New Developments in Securitization, New York, Dec. 13, 2017
- Moderator, "Private-Label Securities Issuers' Forum: Hear what has driven the recent increase in PLS issuance, as well as prospects for further growth," Structured Finance Industry Group's Residential Mortgage Finance Symposium, New York, Nov. 7, 2017
- Speaker, "Market Update: CMBS and RMBS," Practising Law Institute's New Developments in Securitization, New York, Dec. 4, 2014
- Panelist, "The Return of the PLS Market: Current Inhibitors and How Does RMBS 3.0 Fit In?" IMN Private Label RMBS Reform Symposium, New York, Nov. 12, 2014
- Panelist, "Loan Data, Due Diligence, Disclosure," IMN Private Label RMBS Reform Symposium, New York, Nov. 12, 2014
- Presenter, "Implementing Regulation AB 2," SCI webinar, Oct. 16, 2014
- Panelist, "Reg AB II – Key Issues for Implementation," SIFMA's Securitization Spotlight Session, New York, Oct. 3, 2014
- Panelist, "Overview of the State of Mortgage Funding in the US," IMN's 2014 ABS East Conference, Miami, Sept. 16, 2014
- Panelist, "Analyzing the New Securitized Products Rules and Other Key US & Canadian Regulatory Developments," ABS 2014 Canadian Structured Finance Forum, Ontario, June 3, 2014
- Moderator, "Regulation AB II reform – asset-level data, privacy concerns and outlook," SFIG 2014 Spring Symposium, New York, May 14, 2014
- Moderator, "Private Label Residential MBS Policy Issues," ABS Vegas Conference, Las Vegas, Jan. 22, 2014
- Panelist, "Qualified Mortgages and the ATR Rule: What to Expect," Fitch Ratings' The House View- RMBS 2014 Forum and Reception, New York, Jan. 9, 2014

- Speaker, "Overview of Proposed Changes to Regulations Governing Asset-Backed Securities," Practising Law Institute's New Developments in Securitization, New York, Dec. 5, 2013
- Presenter, "Preparing for a QRM World," Inside Mortgage Finance webinar, Oct. 10, 2013
- Panelist, "General Session: The Uncharted Road Ahead," IMN's 2013 ABS East Conference, Miami, Oct. 6–8, 2013
- Moderator, "Spotlight on Origination and Servicing," SNR Denton's Regulatory Compliance Symposium, New York, Mar. 13, 2013
- Presenter, "Reg AB and Disclosure Rules," NYU Stern Center for Real Estate Finance Research Winter Symposium: The Return of Private Capital to the Mortgage Market, New York, Mar. 5, 2013
- Moderator, "FHFA Common Securitization Platform and the Potential for GSE Risk Sharing," ASF Conference, Las Vegas, Jan. 29, 2013
- Moderator, "RMBS Risk Retention, Qualified Residential Mortgages and Qualified Mortgages," ASF Annual Meeting, Washington, DC, June 22, 2011
- Speaker, "New Rating Agency Rules for Due Diligence and What They Will Mean to Lenders and Issuers," MBA's National Secondary Market Conference & Expo 2011, New York, May 3, 2011
- Speaker, "Regulation AB II and Esoteric ABS Part I," PLI Program, New York, Dec. 2–3, 2010
- Speaker, "Focus on Residential Mortgages - Bringing Clarity to the Foreclosure Debate and Providing Insights on Federal and State Investigations," SNR Denton webinar, Nov. 1, 2010
- Speaker, "Securitization - Lenders and the 'New Regime'," Association of Commercial Finance Attorneys, New York, Oct. 26, 2010
- Speaker, "A Legal Perspective on Foreclosure Moratoria and Put-Backs," Barclays Capital call, Oct. 15, 2010
- Panelist, "US Regulatory Developments and the Impact on Structured Finance," IMN's 2010 ABS East Conference, Miami, Oct. 4, 2010
- Panelist, "Regulatory and Practice Developments in Securitization," SNR Denton Event Financial Reform and Regulatory Developments for the Capital Markets, New York, May 20, 2010
- Speaker, "FDIC Securitization Safe Harbor - Summary and Reaction to May 11 NPR," ASF Sunset Seminar, May 12, 2010
- Moderator, "The End of Government Securitization Programs—How Will the Private Markets React?" American Securitization Sunset Seminar, New York, Mar. 24, 2010
- Speaker, "Aligning Incentives in RMBS Deal Structures," 2010 American Securitization Forum, Feb. 2, 2010
- Speaker, "New Developments in Securitization 2009," a PLI Program, New York, Dec. 3–4, 2009
- Panelist, "Projecting the Future Regulation of Securitization," IMN's 2009 ABS East Conference, Miami, Oct. 26, 2009
- Panelist, "The Next Phase of the Financial Crisis: Insights from the Front Lines," an SNR Denton event, Chicago, July 23, 2009
- Moderator, "Loan Modifications: Changes, Challenges and Opportunities Facing Participants in Residential Mortgages," an SNR Denton event, New York, June 10, 2009
- Speaker, "Developments in Legislation, Regulation and Market Standards," Practising Law Institute's New Developments in Securitization, New York, Dec. 5, 2008
- Testimony before the US Congress, Subcommittee on Domestic Policy of the Committee on Oversight and

Government Reform, "Is Treasury Using Bailout Funds to Increase Foreclosure Prevention, as Congress Intended?" Washington, DC, Nov. 14, 2008

- Speaker, "Accounting Standards Revisions and Credit Rating Agency Reform," IMN's 2008 ABS East Conference, Hollywood, FL, Oct. 20, 2008
- Speaker, "Future of Mortgage Financing," Practising Law Institute, Subprime Institute 2008, New York, Sept. 23, 2008
- Speaker, "Housing Crisis and Lending Reform: Legislative and Regulatory Developments," Thacher Proffitt Legal Update Seminar, New York, May 1, 2008
- Speaker, "Securitization Issues: Mortgage-Backed Securities and Collateralized Debt Obligations," Practising Law Institute's "Subprime Credit Crisis: Everything You Need to Know Now," New York, Mar. 5, 2008
- Speaker, "Mortgage Servicing and Loss Mitigation," ASF 2008, Las Vegas, Feb. 3, 2008

## Memberships

- Structured Finance Association: member, board of directors; member, Residential Mortgage Committee; member, LIBOR Task Force
- American Bar Association: Federal Regulation of Securities, Structured Finance Subcommittee
- Securities Industry and Financial Markets Association (SIFMA): MBS Committee, Reg AB2 working group

## Prior and Present Employment

Stephen was formerly with the law firm of Thacher Proffitt & Wood LLP.

## Areas of focus

### Practices

- Asset-Backed Securities (ABS)
- Banking and Finance
- Capital Markets
- Capital Markets Regulatory Compliance
- Derivatives and Structured Products
- Residential Mortgage-Backed Securities (RMBS)
- State Attorneys General (United States)
- Trade and Commodity Finance

### Industry sectors

- Global Financial Services Firms
- Government Corporations
- Investment Banks and Broker Dealers

# Education

- University of Michigan Law School, 1980, JD, *cum laude*
- University of Illinois, 1977, BA

# Admissions and qualifications

- New York