

Exhibit 7

Exhibit 7**Definition of Extra Principal Distribution Amount****Sample Provision**

Extra Principal Distribution Amount: With respect to any Distribution Date, the lesser of (i) the excess, if any, of the Overcollateralization Target Amount for such Distribution Date over the Overcollateralization Amount for such Distribution Date (after giving effect to distributions of principal on the Certificates other than any Extra Principal Distribution Amount) and (ii) the Excess Spread for such Distribution Date.

[BSABS 2005-AQ2 PSA § 1.01]

Trusts with Substantially Identical Provisions

TRUST	PSA SECTION
BSABS 2005-AQ2	Section 1.01 Defined Terms
BSABS 2005-EC1	Section 1.01 Defined Terms
BSABS 2005-FR1	Section 1.01 Defined Terms
BSABS 2005-HE2	Section 1.01 Defined Terms
BSABS 2005-HE4	Section 1.01 Defined Terms
BSABS 2005-HE11	Section 1.01 Defined Terms
BSABS 2006-EC1	Section 1.01 Defined Terms
BSABS 2006-EC2	Section 1.01 Defined Terms
BSABS 2006-HE1	Section 1.01 Defined Terms
BSABS 2006-HE3	Section 1.01 Defined Terms
BSABS 2006-HE5	Section 1.01 Defined Terms
BSABS 2006-HE6	Section 1.01 Defined Terms
BSABS 2006-HE7	Section 1.01 Defined Terms
BSABS 2006-HE8	Section 1.01 Defined Terms
BSABS 2006-HE10	Section 1.01 Defined Terms
BSABS 2006-PC1	Section 1.01 Defined Terms
BSABS 2007-FS1	Section 1.01 Defined Terms
BSABS 2007-HE1	Section 1.01 Defined Terms
BSABS 2007-HE2	Section 1.01 Defined Terms
BSABS 2007-HE3	Section 1.01 Defined Terms
BSABS 2007-HE5	Section 1.01 Defined Terms

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BEAR STEARNS ASSET BACKED SECURITIES I LLC,

Depositor,

EMC MORTGAGE CORPORATION,

Seller and Master Servicer,

and

LASALLE BANK NATIONAL ASSOCIATION,

Trustee

POOLING AND SERVICING AGREEMENT

Dated as of November 1, 2005

BEAR STEARNS ASSET BACKED SECURITIES I TRUST 2005-AQ2

ASSET-BACKED CERTIFICATES, SERIES 2005-AQ2

Investments) securing such funds that is superior to claims of any other depositors or creditors of the depository institution or trust company in which such account is maintained, or (iii) a trust account or accounts maintained with the corporate trust department of a federal or state chartered depository institution or trust company having capital and surplus of not less than \$50,000,000, acting in its fiduciary capacity or (iv) any other account acceptable to the Rating Agencies, as evidenced in writing. Eligible Accounts may bear interest, and may include, if otherwise qualified under this definition, accounts maintained with the Trustee.

EMC: EMC Mortgage Corporation, a Delaware corporation, and its successors and assigns, in its capacity as a seller of the Mortgage Loans to the Depositor.

EMC Mortgage Loans: The Mortgage Loans identified as such on the Mortgage Loan Schedule for which EMC is the applicable Seller.

ERISA: The Employee Retirement Income Security Act of 1974, as amended.

ERISA Restricted Certificates: Any of the Class M-9, Class M-10, Class CE, Class P and Residual Certificates.

Event of Default: As defined in Section 8.01 hereof.

Excess Cashflow: With respect to any Distribution Date, an amount, if any, equal to the sum of (a) the Remaining Excess Spread for such Distribution Date and (b) the Overcollateralization Release Amount for such Distribution Date.

Excess Liquidation Proceeds: To the extent not required by law to be paid to the related Mortgagor, the excess, if any, of any Liquidation Proceeds with respect to a Mortgage Loan over the Stated Principal Balance of such Mortgage Loan and accrued and unpaid interest at the related Mortgage Rate through the last day of the month in which the Mortgage Loan has been liquidated.

Excess Non-REMIC Termination Payment: As defined in Section 10.01.

Excess Spread: With respect to any Distribution Date, the excess, if any, of (i) the Interest Funds for such Distribution Date over (ii) the sum of the Current Interest on the Class A Certificates and Class M Certificates and Interest Carry Forward Amounts on the Class A Certificates (other than Interest Carry Forward Amounts paid pursuant to Sections 5.04(a)(3)(A), in each case for such Distribution Date.

Exemption: Prohibited Transaction Exemption 90-30, as amended from time to time.

Extra Principal Distribution Amount: With respect to any Distribution Date, the lesser of (i) the excess, if any, of the Overcollateralization Target Amount for such Distribution Date over the Overcollateralization Amount for such Distribution Date (after giving effect to distributions of principal on the Certificates other than any Extra Principal Distribution Amount) and (ii) the Excess Spread for such Distribution Date.

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BEAR STEARNS ASSET BACKED SECURITIES I LLC,

Depositor,

EMC MORTGAGE CORPORATION,

Seller and Master Servicer,

and

LASALLE BANK NATIONAL ASSOCIATION,

Trustee

POOLING AND SERVICING AGREEMENT

Dated as of December 1, 2005

BEAR STEARNS ASSET BACKED SECURITIES I TRUST 2005-EC1
ASSET-BACKED CERTIFICATES, SERIES 2005-EC1

Investments) securing such funds that is superior to claims of any other depositors or creditors of the depository institution or trust company in which such account is maintained, or (iii) a trust account or accounts maintained with the corporate trust department of a federal or state chartered depository institution or trust company having capital and surplus of not less than \$50,000,000, acting in its fiduciary capacity or (iv) any other account acceptable to the Rating Agencies, as evidenced in writing. Eligible Accounts may bear interest, and may include, if otherwise qualified under this definition, accounts maintained with the Trustee.

EMC: EMC Mortgage Corporation, a Delaware corporation, and its successors and assigns, in its capacity as a seller of the Mortgage Loans to the Depositor.

EMC Mortgage Loans: The Mortgage Loans identified as such on the Mortgage Loan Schedule for which EMC is the applicable Seller.

ERISA: The Employee Retirement Income Security Act of 1974, as amended.

ERISA Restricted Certificates: Any of Class CE, Class P and Residual Certificates.

Event of Default: As defined in Section 8.01 hereof.

Excess Cashflow: With respect to any Distribution Date, an amount, if any, equal to the sum of (a) the Remaining Excess Spread for such Distribution Date and (b) the Overcollateralization Release Amount for such Distribution Date.

Excess Liquidation Proceeds: To the extent not required by law to be paid to the related Mortgagor, the excess, if any, of any Liquidation Proceeds with respect to a Mortgage Loan over the Stated Principal Balance of such Mortgage Loan and accrued and unpaid interest at the related Mortgage Rate through the last day of the month in which the Mortgage Loan has been liquidated.

Excess Non-REMIC Termination Payment: As defined in Section 10.01.

Excess Spread: With respect to any Distribution Date, the excess, if any, of (i) the Interest Funds for such Distribution Date over (ii) the sum of the Current Interest on the Class A Certificates and Class M Certificates and Interest Carry Forward Amounts on the Class A Certificates (other than Interest Carry Forward Amounts paid pursuant to Section 5.04(a)(3)(A), in each case for such Distribution Date.

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Fannie Mae: Fannie Mae (formerly, Federal National Mortgage Association), or any successor thereto.

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BEAR STEARNS ASSET BACKED SECURITIES I LLC,

Depositor,

EMC MORTGAGE CORPORATION,

Seller and Master Servicer,

and

LASALLE BANK NATIONAL ASSOCIATION,

Trustee

POOLING AND SERVICING AGREEMENT

Dated as of August 1, 2005

BEAR STEARNS ASSET BACKED SECURITIES I TRUST 2005-FR1

ASSET-BACKED CERTIFICATES, SERIES 2005-FR1

the Stated Principal Balance of such Mortgage Loan and accrued and unpaid interest at the related Mortgage Rate through the last day of the month in which the Mortgage Loan has been liquidated.

Excess Spread: With respect to any Distribution Date, the excess, if any, of (i) the Interest Funds for such Distribution Date over (ii) the sum of the Current Interest on the Class A Certificates and Class M Certificates and Interest Carry Forward Amounts on the Class A Certificates (other than Interest Carry Forward Amounts paid pursuant to Section 5.04(a)(4)(A)), in each case for such Distribution Date.

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Fannie Mae: Fannie Mae (formerly, Federal National Mortgage Association), or any successor thereto.

FDIC: The Federal Deposit Insurance Corporation, or any successor thereto.

Final Certification: The certification substantially in the form of Exhibit Three to the Custodial Agreement.

Final Recovery Determination: With respect to any defaulted Mortgage Loan or any REO Property (other than a Mortgage Loan or REO Property purchased by the Seller pursuant to or as contemplated by Section 2.03(c) or Section 10.01), a determination made by the Master Servicer that all Insurance Proceeds, Liquidation Proceeds and other payments or recoveries which the Master Servicer, in its reasonable good faith judgment, expects to be finally recoverable in respect thereof have been so recovered. The Trustee shall maintain records, based solely on information provided by the Master Servicer, of each Final Recovery Determination made thereby.

FIRREA: The Financial Institutions Reform, Recovery, and Enforcement Act of 1989.

Fiscal Quarter: December 1 to February 29 (or the last day in such month), March 1 to May 31, June 1 to August 31, or September 1 to November 30, as applicable.

Fitch: Fitch, Inc. and any successor thereto.

Freddie Mac: Federal Home Loan Mortgage Corporation, or any successor thereto.

Global Certificate: Any Private Certificate registered in the name of the Depository or its nominee, beneficial interests in which are reflected on the books of the Depository or on the books of a Person maintaining an account with such Depository (directly or as an indirect participant in accordance with the rules of such depository).

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BEAR STEARNS ASSET BACKED SECURITIES I LLC,

Depositor,

EMC MORTGAGE CORPORATION,

Seller and Master Servicer,

and

LASALLE BANK NATIONAL ASSOCIATION,

Trustee

POOLING AND SERVICING AGREEMENT

Dated as of February 1, 2005

BEAR STEARNS ASSET BACKED SECURITIES I TRUST 2005-HE2

ASSET-BACKED CERTIFICATES, SERIES 2005-HE2

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Date and (b) the Overcollateralization Release Amount for such Distribution Date.

EXCESS LIQUIDATION PROCEEDS: To the extent not required by law to be paid to the related Mortgagor, the excess, if any, of any Liquidation Proceeds with respect to a Mortgage Loan over the Stated Principal Balance of such Mortgage Loan and accrued and unpaid interest at the related Mortgage Rate through the last day of the month in which the Mortgage Loan has been liquidated.

EXCESS SPREAD: With respect to any Distribution Date, the excess, if any, of (i) the Interest Funds for such Distribution Date over (ii) the sum of the Current Interest on the Class A Certificates and Class M Certificates and Interest Carry Forward Amounts on the Class A Certificates (other than Interest Carry Forward Amounts paid pursuant to Section 5.04(a)(4)(A)), in each case for such Distribution Date.

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EXEMPTION: Prohibited Transaction Exemption 90-30, as amended from time to time.

EXTRA PRINCIPAL DISTRIBUTION AMOUNT: With respect to any Distribution Date, the lesser of (i) the excess, if any, of the Overcollateralization Target Amount for such Distribution Date over the Overcollateralization Amount for such Distribution Date (after giving effect to distributions of principal on the Certificates other than any Extra Principal Distribution Amount) and (ii) the Excess Spread for such Distribution Date.

FANNIE MAE: Fannie Mae (formerly, Federal National Mortgage Association), or any successor thereto.

FDIC: The Federal Deposit Insurance Corporation, or any successor thereto.

FINAL CERTIFICATION: The certification substantially in the form of Exhibit Three to the Custodial Agreement.

FINAL RECOVERY DETERMINATION: With respect to any defaulted Mortgage Loan or any REO Property (other than a Mortgage Loan or REO Property purchased by the Seller pursuant to or as contemplated by Section 2.03(c) or Section 10.01), a determination made by the Master Servicer that all Insurance Proceeds, Liquidation Proceeds and other payments or recoveries which the Master Servicer, in its reasonable good faith judgment, expects to be finally recoverable in respect thereof have been so recovered. The Trustee shall maintain records, based solely on information provided by the Master Servicer, of each Final Recovery Determination made thereby.

FIRREA: The Financial Institutions Reform, Recovery, and Enforcement Act of 1989.

FISCAL QUARTER: December 1 to February 29 (or the last day in such month), March 1 to May 31, June 1 to August 31, or September 1 to November 30, as applicable.

FREDDIE MAC: Federal Home Loan Mortgage Corporation, or any successor thereto.

GROSS MARGIN: With respect to each Adjustable Rate Mortgage Loan, the fixed percentage set forth in the related Mortgage Note that is added to the Index on each Adjustment Date in accordance with the terms of the related Mortgage Note used to determine the Mortgage Rate for such Mortgage Loan.

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BEAR STEARNS ASSET BACKED SECURITIES I LLC,

Depositor,

EMC MORTGAGE CORPORATION,

Seller and Master Servicer,

and

LASALLE BANK NATIONAL ASSOCIATION,

Trustee

POOLING AND SERVICING AGREEMENT

Dated as of April 1, 2005

BEAR STEARNS ASSET BACKED SECURITIES I TRUST 2005-HE4

ASSET-BACKED CERTIFICATES, SERIES 2005-HE4

Excess Liquidation Proceeds: To the extent not required by law to be paid to the related Mortgagor, the excess, if any, of any Liquidation Proceeds with respect to a Mortgage Loan over the Stated Principal Balance of such Mortgage Loan and accrued and unpaid interest at the related Mortgage Rate through the last day of the month in which the Mortgage Loan has been liquidated.

Excess Spread: With respect to any Distribution Date, the excess, if any, of (i) the Interest Funds for such Distribution Date over (ii) the sum of the Current Interest on the Class A Certificates and Class M Certificates and Interest Carry Forward Amounts on the Class A Certificates (other than Interest Carry Forward Amounts paid pursuant to Section 5.04(a)(4)(A)), in each case for such Distribution Date.

Exemption: Prohibited Transaction Exemption 90-30, as amended from time to time.

Extra Principal Distribution Amount: With respect to any Distribution Date, the lesser of (i) the excess, if any, of the Overcollateralization Target Amount for such Distribution Date over the Overcollateralization Amount for such Distribution Date (after giving effect to distributions of principal on the Certificates other than any Extra Principal Distribution Amount) and (ii) the Excess Spread for such Distribution Date.

Fannie Mae: Fannie Mae (formerly, Federal National Mortgage Association), or any successor thereto.

FDIC: The Federal Deposit Insurance Corporation, or any successor thereto.

Final Certification: The certification substantially in the form of Exhibit Three to the Custodial Agreement.

Final Recovery Determination: With respect to any defaulted Mortgage Loan or any REO Property (other than a Mortgage Loan or REO Property purchased by the Seller pursuant to or as contemplated by Section 2.03(c) or Section 10.01), a determination made by the Master Servicer that all Insurance Proceeds, Liquidation Proceeds and other payments or recoveries which the Master Servicer, in its reasonable good faith judgment, expects to be finally recoverable in respect thereof have been so recovered. The Trustee shall maintain records, based solely on information provided by the Master Servicer, of each Final Recovery Determination made thereby.

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Fiscal Quarter: December 1 to February 29 (or the last day in such month), March 1 to May 31, June 1 to August 31, or September 1 to November 30, as applicable.

Fitch: Fitch, Inc. and any successor thereto.

Freddie Mac: Federal Home Loan Mortgage Corporation, or any successor thereto.

Global Certificate: Any Private Certificate registered in the name of the Depository or its nominee, beneficial interests in which are reflected on the books of the Depository or on the

books of a Person maintaining an account with such Depository (directly or as an indirect participant in accordance with the rules of such depository).

Gross Margin: With respect to each Adjustable Rate Mortgage Loan, the fixed percentage set forth in the related Mortgage Note that is added to the Index on each Adjustment Date in accordance with the terms of the related Mortgage Note used to determine the Mortgage Rate for such Mortgage Loan.

Group I Loans: The Mortgage Loans identified as such on the Mortgage Loan Schedule.

Group I Principal Distribution Amount: With respect to any Distribution Date, the product of the Principal Distribution Amount for such Distribution Date and a fraction, the numerator of which is the Principal Funds for Loan Group I for such Distribution Date and the denominator of which is the Principal Funds for all

EX-4.1 2 d401170_exh4-1.htm POOLING AND SERVICING AGREEMENT
BEAR STEARNS ASSET BACKED SECURITIES I LLC,

Depositor,

EMC MORTGAGE CORPORATION,

Seller and Master Servicer,

and

LASALLE BANK NATIONAL ASSOCIATION,

Trustee

POOLING AND SERVICING AGREEMENT

Dated as of November 1, 2005

BEAR STEARNS ASSET BACKED SECURITIES I TRUST 2005-HE11

ASSET-BACKED CERTIFICATES, SERIES 2005-HE11

Extra Principal Distribution Amount: With respect to any Distribution Date, the lesser of (i) the excess, if any, of the Overcollateralization Target Amount for such Distribution Date over the Overcollateralization Amount for such Distribution Date (after giving effect to distributions of principal on the Certificates other than any Extra Principal Distribution Amount) and (ii) the Excess Spread for such Distribution Date.

Fannie Mae: Fannie Mae (formerly, Federal National Mortgage Association), or any successor thereto.

FDIC: The Federal Deposit Insurance Corporation, or any successor thereto.

Final Certification: The certification substantially in the form of Exhibit Three to the Custodial Agreement.

Final Recovery Determination: With respect to any defaulted Mortgage Loan or any REO Property (other than a Mortgage Loan or REO Property purchased by EMC (on its own behalf as a seller and on behalf of Master Funding) pursuant to or as contemplated by Section 2.03(c) or Section 10.01), a determination made by the Master Servicer that all Insurance Proceeds, Liquidation Proceeds and other payments or recoveries which the Master Servicer, in its reasonable good faith judgment, expects to be finally recoverable in respect thereof have been so recovered. The Trustee shall maintain records, based solely on information provided by the Master Servicer, of each Final Recovery Determination made thereby.

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Fiscal Quarter: December 1 to February 29 (or the last day in such month), March 1 to May 31, June 1 to August 31, or September 1 to November 30, as applicable.

Fitch: Fitch, Inc. and any successor thereto.

Freddie Mac: Federal Home Loan Mortgage Corporation, or any successor thereto.

Global Certificate: Any Private Certificate registered in the name of the Depository or its nominee, beneficial interests in which are reflected on the books of the Depository or on the books of a Person maintaining an account with such Depository (directly or as an indirect participant in accordance with the rules of such depository).

Gross Margin: With respect to each Adjustable Rate Mortgage Loan, the fixed percentage set forth in the related Mortgage Note that is added to the Index on each Adjustment Date in accordance with the terms of the related Mortgage Note used to determine the Mortgage Rate for such Mortgage Loan.

Indemnified Persons: The Trustee, the Master Servicer, the Trust Fund and their officers, directors, agents and employees and, with respect to the Trustee, any separate co-trustee and its officers, directors, agents and employees.

Index: With respect to each Adjustable Rate Mortgage Loan and with respect to each related Adjustment Date, the index as specified in the related Mortgage Note.

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BEAR STEARNS ASSET BACKED SECURITIES I LLC,

Depositor,

EMC MORTGAGE CORPORATION,

Sponsor and Master Servicer,

and

LASALLE BANK NATIONAL ASSOCIATION,

Trustee

POOLING AND SERVICING AGREEMENT

Dated as of January 1, 2006

BEAR STEARNS ASSET BACKED SECURITIES I TRUST 2006-EC1
ASSET-BACKED CERTIFICATES, SERIES 2006-EC1

Excess Liquidation Proceeds: To the extent not required by law to be paid to the related Mortgagor, the excess, if any, of any Liquidation Proceeds with respect to a Mortgage Loan over the Stated Principal Balance of such Mortgage Loan and accrued and unpaid interest at the related Mortgage Rate through the last day of the month in which the Mortgage Loan has been liquidated.

Excess Non-REMIC Termination Payment: As defined in Section 10.01.

Excess Spread: With respect to any Distribution Date, the excess, if any, of (i) the Interest Funds for such Distribution Date over (ii) the sum of the Current Interest on the Class A Certificates and Class M Certificates and Interest Carry Forward Amounts on the Class A Certificates (other than Interest Carry Forward Amounts paid pursuant to Sections 5.04(a)(3)(A), in each case for such Distribution Date.

Exchange Act: Securities Exchange Act of 1934, as amended.

Exemption: Prohibited Transaction Exemption 90-30, as amended from time to time.

Extra Principal Distribution Amount: With respect to any Distribution Date, the lesser of (i) the excess, if any, of the Overcollateralization Target Amount for such Distribution Date over the Overcollateralization Amount for such Distribution Date (after giving effect to distributions of principal on the Certificates other than any Extra Principal Distribution Amount) and (ii) the Excess Spread for such Distribution Date.

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FDIC: The Federal Deposit Insurance Corporation, or any successor thereto.

Final Certification: The certification substantially in the form of Exhibit Three to the Custodial Agreement.

Final Recovery Determination: With respect to any defaulted Mortgage Loan or any REO Property (other than a Mortgage Loan or REO Property purchased by EMC (on its own behalf as a seller and on behalf of Master Funding) pursuant to or as contemplated by Section 2.03(c) or Section 10.01), a determination made by the Master Servicer that all Insurance Proceeds, Liquidation Proceeds and other payments or recoveries which the Master Servicer, in its reasonable good faith judgment, expects to be finally recoverable in respect thereof have been so recovered. The Trustee shall maintain records, based solely on information provided by the Master Servicer, of each Final Recovery Determination made thereby.

FIRREA: The Financial Institutions Reform, Recovery, and Enforcement Act of 1989.

Fiscal Quarter: December 1 to February 29 (or the last day in such month), March 1 to May 31, June 1 to August 31, or September 1 to November 30, as applicable.

Form 8-K Disclosure Information: As defined in Section 3.16(a)(iii).

EX-4.1 3 d442958_ex4-1.htm POOLING AND SERVICING AGREEMENT

BEAR STEARNS ASSET BACKED SECURITIES I LLC,
Depositor,
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and
LASALLE BANK NATIONAL ASSOCIATION,
Trustee

POOLING AND SERVICING AGREEMENT

Dated as of February 1, 2006

BEAR STEARNS ASSET BACKED SECURITIES I TRUST 2006-EC2
ASSET-BACKED CERTIFICATES, SERIES 2006-EC2

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the Trustee and to each Rating Agency, the Certificateholders have a claim with respect to the funds in such account or a perfected first priority security interest against any collateral (which shall be limited to Permitted Investments) securing such funds that is superior to claims of any other depositors or creditors of the depository institution or trust company in which such account is maintained, or (iii) a trust account or accounts maintained with the corporate trust department of a federal or state chartered depository institution or trust company having capital and surplus of not less than \$50,000,000, acting in its fiduciary capacity or (iv) any other account acceptable to the Rating Agencies, as evidenced in writing. Eligible Accounts may bear interest, and may include, if otherwise qualified under this definition, accounts maintained with the Trustee.

EMC: EMC Mortgage Corporation, a Delaware corporation, and its successors and assigns.

EMC MORTGAGE LOANS: The Mortgage Loans identified as such on the Mortgage Loan Schedule for which EMC is the applicable Seller.

ERISA: The Employee Retirement Income Security Act of 1974, as amended.

ERISA RESTRICTED CERTIFICATES: Any of the Class CE, Class P and Residual Certificates.

EVENT OF DEFAULT: As defined in Section 8.01 hereof.

EXCESS CASHFLOW: With respect to any Distribution Date, an amount, if any, equal to the sum of (a) the Remaining Excess Spread for such Distribution Date and (b) the Overcollateralization Release Amount for such Distribution Date.

EXCESS LIQUIDATION PROCEEDS: To the extent not required by law to be paid to the related Mortgagor, the excess, if any, of any Liquidation Proceeds with respect to a Mortgage Loan over the Stated Principal Balance of such Mortgage Loan and accrued and unpaid interest at the related Mortgage Rate through the last day of the month in which the Mortgage Loan has been liquidated.

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EXCHANGE ACT: Securities Exchange Act of 1934, as amended.

EXEMPTION: Prohibited Transaction Exemption 90-30, as amended from time to time.

EXTRA PRINCIPAL DISTRIBUTION AMOUNT: With respect to any Distribution Date, the lesser of (i) the excess, if any, of the Overcollateralization Target Amount for such Distribution Date over the Overcollateralization Amount for such Distribution Date (after giving effect to distributions of principal on the Certificates other than any Extra Principal Distribution Amount) and (ii) the Excess Spread for such Distribution Date.

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FIRREA: The Financial Institutions Reform, Recovery, and Enforcement Act of 1989.

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EX-4.1 2 d422821_ex4-1.htm POOLING AND SERVICING AGREEMENT
BEAR STEARNS ASSET BACKED SECURITIES I LLC,

Depositor,

EMC MORTGAGE CORPORATION,

Sponsor and Master Servicer,

and

LASALLE BANK NATIONAL ASSOCIATION,

Trustee

POOLING AND SERVICING AGREEMENT

Dated as of January 1, 2006

BEAR STEARNS ASSET BACKED SECURITIES I TRUST 2006-HE1
ASSET-BACKED CERTIFICATES, SERIES 2006-HE1

ERISA: The Employee Retirement Income Security Act of 1974, as amended.

ERISA Restricted Certificates: Any of Class CE, P and Residual Certificates.

Event of Default: As defined in Section 8.01 hereof.

Excess Cashflow: With respect to any Distribution Date and any Loan Group, an amount, if any, equal to the sum of (a) the related Remaining Excess Spread for such Distribution Date and (b) the related Overcollateralization Release Amount for such Distribution Date.

Excess Liquidation Proceeds: To the extent not required by law to be paid to the related Mortgagor, the excess, if any, of any Liquidation Proceeds with respect to a Mortgage Loan over the Stated Principal Balance of such Mortgage Loan and accrued and unpaid interest at the related Mortgage Rate through the last day of the month in which the Mortgage Loan has been liquidated.

Excess Spread: With respect to any Distribution Date and any Loan Group, the excess, if any, of (i) the Interest Funds with respect to the related Loan Group for such Distribution Date over (ii) the sum of the Current Interest on the related Class A Certificates and Class M Certificates and Interest Carry Forward Amounts on the related Class A Certificates (other than Interest Carry Forward Amounts paid pursuant to Section 5.04(a)(3)(A) with respect to Loan Group I and 5.04(b)(3)(A) with respect to Loan Group II, in each case for such Distribution Date.

Exchange Act: Securities Exchange Act of 1934, as amended.

Exemption: Prohibited Transaction Exemption 90-30, as amended from time to time.

Extra Principal Distribution Amount: Any of the Group I Extra Principal Distribution Amount or Group II Extra Principal Distribution Amount.

Fannie Mae: Fannie Mae (formerly, Federal National Mortgage Association), or any successor thereto.

FDIC: The Federal Deposit Insurance Corporation, or any successor thereto.

Final Certification: The certification substantially in the form of Exhibit Three to the Custodial Agreement.

Final Recovery Determination: With respect to any defaulted Mortgage Loan or any REO Property (other than a Mortgage Loan or REO Property purchased by EMC (on its own behalf as a seller and on behalf of Master Funding) pursuant to or as contemplated by Section 2.03(c) or Section 10.01), a determination made by the Master Servicer that all Insurance Proceeds, Liquidation Proceeds and other payments or recoveries which the Master Servicer, in its reasonable good faith judgment, expects to be finally recoverable in respect thereof have been so recovered. The Trustee shall maintain records, based solely on information provided by the Master Servicer, of each Final Recovery Determination made thereby.

the Group I Mortgage Loans as of the last day of the related Due Period exceeds (y) 30.50% of the Group I Current Specified Enhancement Percentage.

Group I Derivative Account: The separate trust account created and maintained by the Derivative Administrator, and held within the Group I Supplemental Interest Trust, pursuant to the Derivative Administration Agreement.

Group I Excess Non-REMIC Termination Payment: As defined in Section 10.01.

Group I Extra Principal Distribution Amount: With respect to any Distribution Date, the lesser of (i) the excess, if any, of the Group I Overcollateralization Target Amount for such Distribution Date over the Group I Overcollateralization Amount for such Distribution Date (after giving effect to distributions of principal on the Certificates other than any Group I Extra Principal Distribution Amount) and (ii) the related Excess Spread for such Distribution Date.

Group I Marker Rate: With respect to the Class I-CE Interest and any Distribution Date, a per annum rate equal to two (2) times the weighted average of the Uncertificated REMIC III Pass-Through Rates for the REMIC III Group I Regular Interests (other than REMIC III Regular Interests I-AA, I-IO and I-P), with the rate on each such REMIC III Group I Regular Interest (other than REMIC III Regular Interest I-ZZ) subject to a cap equal to the lesser of (i) the One-Month LIBOR Pass-Through Rate for the Corresponding Certificate and (ii) the Net Rate Cap for the REMIC IV Regular Interest the ownership of which is represented by the Corresponding Certificate for the purpose of this calculation for such Distribution Date, and with the rate on REMIC III Regular Interest I-ZZ subject to a cap of zero for the purpose of this calculation; provided, however, that solely for this purpose, the related cap with respect to each REMIC III Group I Regular Interest (other than REMIC III Regular Interests I-AA, I-ZZ, I-IO and I-P) shall be multiplied by a fraction, the numerator of which is 30 and the denominator of which is the actual number of days in the related Accrual Period.

Group I Maximum Uncertificated Accrued Interest Deferral Amount: With respect to any Distribution Date, the excess of (i) accrued interest at the Uncertificated REMIC III Pass-Through Rate applicable to REMIC III Regular Interest I-ZZ for such Distribution Date on a balance equal to the Uncertificated Principal Balance of REMIC III Regular Interest I-ZZ minus the REMIC III Group I Overcollateralized Amount, in each case for such Distribution Date, over (ii) the aggregate amount of Uncertificated Accrued Interest for such Distribution Date on the REMIC III Group I Regular Interests (other than REMIC III Regular Interests I-AA, I-ZZ, I-IO and I-P), with the rate on each such REMIC III Group I Regular Interest subject to a cap equal to the lesser of (x) the One-Month LIBOR Pass Through Rate for the Corresponding Certificate and (y) the Net Rate Cap for the REMIC IV Regular Interest the ownership of which is represented by the Corresponding Certificate for the purpose of this calculation for such Distribution Date; provided, however, that solely for this purpose, the related cap with respect to each REMIC III Group I Regular Interest (other than REMIC III Regular Interests I-AA, I-ZZ, I-IO and I-P) shall be multiplied by a fraction, the numerator of which is 30 and the denominator of which is the actual number of days in the related Accrual Period.

Group I Net Swap Payment: With respect to each Distribution Date, the net payment required to be made pursuant to the terms of the Group I Swap Agreement by either the Group I

EX-4.1 3 d473115_ex4-1.htm POOLING AND SERVICING AGREEMENT
BEAR STEARNS ASSET BACKED SECURITIES I LLC,

Depositor,

EMC MORTGAGE CORPORATION,

Sponsor and Company,

LASALLE BANK NATIONAL ASSOCIATION,

Master Servicer and Securities Administrator,

And

CITIBANK, N.A.

Trustee

POOLING AND SERVICING AGREEMENT

Dated as of March 1, 2006

BEAR STEARNS ASSET BACKED SECURITIES I TRUST 2006-HE3

ASSET-BACKED CERTIFICATES, SERIES 2006-HE3

to the Rating Agencies, as evidenced in writing. Eligible Accounts may bear interest, and may include, if otherwise qualified under this definition, accounts maintained with the Trustee and the Securities Administrator.

EMC: EMC Mortgage Corporation, a Delaware corporation, and its successors and assigns.

EMC Mortgage Loans: The Mortgage Loans serviced by the Company pursuant to the terms of this Agreement and identified as such on the Mortgage Loan Schedule for which EMC is the applicable Seller.

ERISA: The Employee Retirement Income Security Act of 1974, as amended.

ERISA Restricted Certificates: Any of the Class CE, Class P and Residual Certificates.

Event of Default: As defined in Section 9.01 hereof.

Excess Cashflow: With respect to any Distribution Date, an amount, if any, equal to the sum of (a) the Remaining Excess Spread for such Distribution Date and (b) the Overcollateralization Release Amount for such Distribution Date.

Excess Liquidation Proceeds: To the extent not required by law to be paid to the related Mortgagor, the excess, if any, of any Liquidation Proceeds with respect to a Mortgage Loan over the Stated Principal Balance of such Mortgage Loan and accrued and unpaid interest at the related Mortgage Rate through the last day of the month in which the Mortgage Loan has been liquidated.

Excess Spread: With respect to any Distribution Date, the excess, if any, of (i) the Interest Funds for such Distribution Date over (ii) the sum of the Current Interest on the Class A Certificates and Class M Certificates and Interest Carry Forward Amounts on the Class A Certificates (other than Interest Carry Forward Amounts paid pursuant to Sections 6.04(a)(4)(A), in each case for such Distribution Date.

Exchange Act: Securities Exchange Act of 1934, as amended.

Exemption: Prohibited Transaction Exemption 90-30, as amended from time to time.

Extra Principal Distribution Amount: With respect to any Distribution Date, the lesser of (i) the excess, if any, of the Overcollateralization Target Amount for such Distribution Date over the Overcollateralization Amount for such Distribution Date (after giving effect to distributions of principal on the Certificates other than any Extra Principal Distribution Amount) and (ii) the Excess Spread for such Distribution Date.

Fannie Mae: Fannie Mae (formerly, Federal National Mortgage Association), or any successor thereto.

FDIC: The Federal Deposit Insurance Corporation, or any successor thereto.

Final Certification: The certification substantially in the form of Exhibit Three to the Custodial Agreement.

Final Recovery Determination: With respect to any defaulted Mortgage Loan or any REO Property (other than a Mortgage Loan or REO Property purchased by EMC (on its own behalf as a Seller and on behalf of Master Funding) pursuant to or as contemplated by Section 2.03(c) or Section 11.01), a determination made by the Company pursuant to this Agreement or the Servicer pursuant to the Servicing Agreements that all Insurance Proceeds, Liquidation Proceeds and other payments or recoveries which the Company or such Servicer, in its reasonable good faith judgment, expects to be finally recoverable in respect thereof have been so recovered. The Master Servicer shall maintain records, based solely on information provided by the Company and the Servicer, of each Final Recovery Determination made thereby.

FIRREA: The Financial Institutions Reform, Recovery, and Enforcement Act of 1989.

Fiscal Quarter: December 1 to February 29 (or the last day in such month), March 1 to May 31, June 1 to August 31, or September 1 to November 30, as applicable.

Fitch: Fitch, Inc. and any successor thereto.

Form 8-K Disclosure Information: As defined in Section 3.18(a)(iii).

Freddie Mac: Federal Home Loan Mortgage Corporation, or any successor thereto.

Global Certificate: Any Certificate registered in the name of the Depository or its nominee, beneficial interests in which are reflected on the books of the Depository or on the books of a Person maintaining an account with such Depository (directly or as an indirect participant in accordance with the rules of such depository).

Gross Margin: With respect to each Adjustable Rate Mortgage Loan, the fixed percentage set forth in the related Mortgage Note that is added to the Index on each Adjustment Date in accordance with the terms of the related Mortgage Note used to determine the Mortgage Rate for such Mortgage Loan.

Indemnified Persons: The Trustee, the Master Servicer, the Company, the Trust Fund and the Securities Administrator including LaSalle Bank National Association in its individual capacity, and their respective officers, directors, agents and employees and, with respect to the Trustee, any separate co-trustee and its officers, directors, agents and employees.

Index: With respect to each Adjustable Rate Mortgage Loan and with respect to each related Adjustment Date, the index as specified in the related Mortgage Note.

Individual Certificate: Any Private Certificate registered in the name of the Holder other than the Depository or its nominee.

Initial Certification: The certification substantially in the form of Exhibit One to the Custodial Agreement.

Initial Certificate Principal Balance: With respect to any Certificate, the Certificate Principal Balance of such Certificate or any predecessor Certificate on the Closing Date.

Institutional Accredited Investor: Any Person meeting the requirements of Rule 501(a)(1), (2), (3) or (7) of Regulation D under the Securities Act or any entity all of the equity Holders in which come within such paragraphs.

Insurance Proceeds: Proceeds paid in respect of the Mortgage Loans pursuant to any Insurance Policy and any other insurance policy covering a Mortgage Loan, to the extent such proceeds are payable to the mortgagee under the Mortgage, the Company, the Servicer or the trustee under the deed of trust and are not applied to the restoration of the related Mortgaged Property or released to the Mortgagor in accordance with the procedures that the Company or the Servicer would follow in servicing mortgage loans held for its own account, in each case other than any amount included in such Insurance Proceeds in respect of Insured Expenses.

Insured Expenses: Expenses covered by any insurance policy with respect to the Mortgage Loans.

Interest Carry Forward Amount: As of any Distribution Date and with respect to each Class of Certificates (other than the Class CE, Class P and the Residual Certificates), the sum of (i) the excess of (a) the Current Interest for such Class with respect to such Distribution Date and any prior Distribution Dates over (b) the amount actually distributed to such Class of Certificates with respect to interest

EX-4.1 3 d509826_8k.htm POOLING AND SERVICING AGREEMENT

BEAR STEARNS ASSET BACKED SECURITIES I LLC,

Depositor,

EMC MORTGAGE CORPORATION,

Seller and Master Servicer,

and

LASALLE BANK NATIONAL ASSOCIATION,

Trustee

POOLING AND SERVICING AGREEMENT

Dated as of May 1, 2006

BEAR STEARNS ASSET BACKED SECURITIES I TRUST 2006-HE5

ASSET-BACKED CERTIFICATES, SERIES 2006-HE5

Distribution Account: The separate Eligible Account created and maintained by the Trustee pursuant to Section 4.04 in the name of the Trustee for the benefit of the Certificateholders designated "LaSalle Bank National Association, in trust for registered holders of Bear Stearns Asset Backed Securities I LLC, Asset-Backed Certificates, Series 2006-HE5". Funds in the Distribution Account shall be held in trust for the Certificateholders for the uses and purposes set forth in this Agreement.

Distribution Account Deposit Date: Two Business Days prior to each Distribution Date.

Distribution Date: The 25th day of each calendar month after the initial issuance of the Certificates, or if such 25th day is not a Business Day, the next succeeding Business Day, commencing in June 2006.

Due Date: As to any Mortgage Loan, the date in each month on which the related Scheduled Payment is due, as set forth in the related Mortgage Note.

Due Period: With respect to any Distribution Date, the period from the second day of the calendar month preceding the calendar month in which such Distribution Date occurs through close of business on the first day of the calendar month in which such Distribution Date occurs.

Eligible Account: Any of (i) an account or accounts maintained with a federal or state chartered depository institution or trust company, the long-term unsecured debt obligations and short-term unsecured debt obligations of which (or, in the case of a depository institution or trust company that is the principal subsidiary of a holding company, the debt obligations of such holding company, so long as Moody's is not a Rating Agency) are rated by each Rating Agency in one of its two highest long-term and its highest short-term rating categories, respectively, at the time any amounts are held on deposit therein, or (ii) an account or accounts in a depository institution or trust company in which such accounts are insured by the FDIC (to the limits established by the FDIC) and the uninsured deposits in which accounts are otherwise secured such that, as evidenced by an Opinion of Counsel delivered to the Trustee and to each Rating Agency, the Certificateholders have a claim with respect to the funds in such account or a perfected first priority security interest against any collateral (which shall be limited to Permitted Investments) securing such funds that is superior to claims of any other depositors or creditors of the depository institution or trust company in which such account is maintained, or (iii) a trust account or accounts maintained with the corporate trust department of a federal or state chartered depository institution or trust company having capital and surplus of not less than \$50,000,000, acting in its fiduciary capacity or (iv) any other account acceptable to the Rating Agencies, as evidenced in writing. Eligible Accounts may bear interest, and may include, if otherwise qualified under this definition, accounts maintained with the Trustee.

EMC: EMC Mortgage Corporation, a Delaware corporation, and its successors and assigns.

EMC Mortgage Loans: The Mortgage Loans identified as such on the Mortgage Loan Schedule for which EMC is the applicable Seller.

ERISA: The Employee Retirement Income Security Act of 1974, as amended.

ERISA Restricted Certificates: Any of the Class CE, Class P and Residual Certificates.

Event of Default: As defined in Section 8.01 hereof.

Excess Cashflow: With respect to any Distribution Date, an amount, if any, equal to the sum of (a) the Remaining Excess Spread for such Distribution Date and (b) the Overcollateralization Release Amount for such Distribution Date.

Excess Liquidation Proceeds: To the extent not required by law to be paid to the related Mortgagor, the excess, if any, of any Liquidation Proceeds with respect to a Mortgage Loan over the Stated Principal Balance of such Mortgage Loan and accrued and unpaid interest at the related Mortgage Rate through the last day of the month in which the Mortgage Loan has been liquidated.

Excess Spread: With respect to any Distribution Date, the excess, if any, of (i) the Interest Funds for such Distribution Date over (ii) the sum of the Current Interest on the Class A Certificates and Class M Certificates and Interest Carry Forward Amounts on the Class A Certificates (other than Interest Carry Forward Amounts paid pursuant to Sections 5.04(a)(4)(A)), in each case for such Distribution Date.

Exchange Act: Securities Exchange Act of 1934, as amended.

Exemption: Prohibited Transaction Exemption 90-30, as amended from time to time.

Extra Principal Distribution Amount: With respect to any Distribution Date, the lesser of (i) the excess, if any, of the Overcollateralization Target Amount for such Distribution Date, over the Overcollateralization Amount for such Distribution Date (after giving effect to distributions of principal on the Certificates other than any Extra Principal Distribution Amount) and (ii) the Excess Spread for such Distribution Date.

Fannie Mae: Fannie Mae (formerly, Federal National Mortgage Association), or any successor thereto.

FDIC: The Federal Deposit Insurance Corporation, or any successor thereto.

Final Certification: The certification substantially in the form of Exhibit Three to the Custodial Agreement.

Final Recovery Determination: With respect to any defaulted Mortgage Loan or any REO Property (other than a Mortgage Loan or REO Property purchased by EMC (on its own behalf as a seller and on behalf of Master Funding) pursuant to or as contemplated by Section 2.03(c) or Section 10.01), a determination made by the Master Servicer that all Insurance Proceeds, Liquidation Proceeds and other payments or recoveries which the Master Servicer, in its reasonable good faith judgment, expects to be finally recoverable in respect thereof have been so recovered. The Trustee shall maintain records, based solely on information provided by the Master Servicer, of each Final Recovery Determination made thereby.

FIRREA: The Financial Institutions Reform, Recovery, and Enforcement Act of 1989.

Fiscal Quarter: December 1 to February 29 (or the last day in such month), March 1 to May 31, June 1 to August 31, or September 1 to November 30, as applicable.

Fitch: Fitch, Inc. and any successor thereto.

Form 8-K Disclosure Information: As defined in Section 3.16(a)(iii).

Freddie Mac: Federal Home Loan Mortgage Corporation, or any successor thereto.

Global Certificate: Any Private Certificate registered in the name of the Depository or its nominee, beneficial interests in which are reflected on the books of the Depository or on the books of a Person maintaining an account with such Depository (directly or as an indirect participant in accordance with the rules of such depository).

Gross Margin: With respect to each Adjustable Rate Mortgage Loan, the fixed percentage set forth in the related Mortgage Note that is added to the Index on each Adjustment Date in accordance with the terms of the related Mortgage Note used to determine the Mortgage Rate for such Mortgage Loan.

Group I Loans: The Mortgage Loans identified as such on the Mortgage Loan Schedule.

Group I Principal Distribution Amount: With respect to any Distribution Date, the product of the Principal Distribution Amount for such Distribution Date and a fraction, the numerator of which is the Principal Funds for Loan Group I for such Distribution Date and the denominator of which is the Principal Funds for both Loan Groups for such Distribution Date.

EX-4 3 d523316a_ex4.htm POOLING AND SERVICING AGREEMENT
BEAR STEARNS ASSET BACKED SECURITIES I LLC
Depositor,

EMC MORTGAGE CORPORATION
Seller and Master Servicer

and

LASALLE BANK NATIONAL ASSOCIATION
Trustee

POOLING AND SERVICING AGREEMENT

Dated as of June 1, 2006

BEAR STEARNS ASSET BACKED SECURITIES I TRUST 2006-HE6

ASSET-BACKED CERTIFICATES, SERIES 2006-HE6

claim with respect to the funds in such account or a perfected first priority security interest against any collateral (which shall be limited to Permitted Investments) securing such funds that is superior to claims of any other depositors or creditors of the depository institution or trust company in which such account is maintained, or (iii) a trust account or accounts maintained with the corporate trust department of a federal or state chartered depository institution or trust company having capital and surplus of not less than \$50,000,000, acting in its fiduciary capacity or (iv) any other account acceptable to the Rating Agencies, as evidenced in writing. Eligible Accounts may bear interest, and may include, if otherwise qualified under this definition, accounts maintained with the Trustee.

EMC: EMC Mortgage Corporation, a Delaware corporation, and its successors and assigns.

EMC Mortgage Loans: The Mortgage Loans identified as such on the Mortgage Loan Schedule for which EMC is the applicable Seller.

ERISA: The Employee Retirement Income Security Act of 1974, as amended.

ERISA Restricted Certificates: Any of the Class CE, Class P and Residual Certificates.

Event of Default: As defined in Section 8.01 hereof.

Excess Cashflow: With respect to any Distribution Date and any Loan Group, an amount, if any, equal to the sum of (a) the related Remaining Excess Spread for such Distribution Date and (b) the related Overcollateralization Release Amount for such Distribution Date.

Excess Liquidation Proceeds: To the extent not required by law to be paid to the related Mortgagor, the excess, if any, of any Liquidation Proceeds with respect to a Mortgage Loan over the Stated Principal Balance of such Mortgage Loan and accrued and unpaid interest at the related Mortgage Rate through the last day of the month in which the Mortgage Loan has been liquidated.

Excess Spread: With respect to any Distribution Date and any Loan Group, the excess, if any, of (i) the Interest Funds with respect to the related Loan Group for such Distribution Date over (ii) the sum of the Current Interest on the related Class A Certificates and Class M Certificates and Interest Carry Forward Amounts on the related Class A Certificates (other than Interest Carry Forward Amounts paid pursuant to Section 5.04(a)(3)(A) with respect to Loan Group I and 5.04(b)(3)(A) with respect to Loan Group II), in each case for such Distribution Date.

Exchange Act: Securities Exchange Act of 1934, as amended.

Exemption: Prohibited Transaction Exemption 90-30, as amended from time to time.

Extra Principal Distribution Amount: Any of the Group I Extra Principal Distribution Amount or Group II Extra Principal Distribution Amount.

Fannie Mae: Fannie Mae (formerly, Federal National Mortgage Association), or any successor thereto.

FDIC: The Federal Deposit Insurance Corporation, or any successor thereto.

Final Certification: The certification substantially in the form of Exhibit Three to the Custodial Agreement.

Final Recovery Determination: With respect to any defaulted Mortgage Loan or any REO Property (other than a Mortgage Loan or REO Property purchased by EMC (on its own behalf as a seller and on behalf of Master Funding) pursuant to or as contemplated by Section 2.03(c) or Section 10.01), a determination made by the Master Servicer that all Insurance Proceeds, Liquidation Proceeds and other payments or recoveries which the Master Servicer, in its reasonable good faith judgment, expects to be finally recoverable in respect thereof have been so recovered. The Trustee shall maintain records, based solely on information provided by the Master Servicer, of each Final Recovery Determination made thereby.

FIRREA: The Financial Institutions Reform, Recovery, and Enforcement Act of 1989.

Fiscal Quarter: December 1 to February 29 (or the last day in such month), March 1 to May 31, June 1 to August 31, or September 1 to November 30, as applicable.

Fitch: Fitch, Inc. and any successor thereto.

Form 8-K Disclosure Information: As defined in Section 3.16(a)(iii).

Freddie Mac: Federal Home Loan Mortgage Corporation, or any successor thereto.

Global Certificate: Any Private Certificate registered in the name of the Depository or its nominee, beneficial interests in which are reflected on the books of the Depository or on the books of a Person maintaining an account with such Depository (directly or as an indirect participant in accordance with the rules of such depository).

Gross Margin: With respect to each Adjustable Rate Mortgage Loan, the fixed percentage set forth in the related Mortgage Note that is added to the Index on each Adjustment Date in accordance with the terms of the related Mortgage Note used to determine the Mortgage Rate for such Mortgage Loan.

Group I Certificates: Any of the Class I-A-1, Class I-A-2, Class I-A-3, Class I-M-1, Class I-M-2, Class I-M-3, Class I-M-4, Class I-M-5, Class I-M-6, Class I-M-7, Class I-M-8, Class I-M-9, Class I-M-10, Class I-M-11, Class I-P, Class I-CE, Class I-R-1, Class I-R-2, Class I-R-3 and Class I-RX Certificates.

Group I Class IO Distribution Amount: As defined in Section 3.21 hereof. For purposes of clarity, the Group I Class IO Distribution Amount for any Distribution Date shall equal the amount payable to the Swap Administrator pursuant to the first and second sentences of Section 3.21(c) on such Distribution Date in

July 2010 to June 2011	each month thereafter 5.40% with respect to July 2010, plus an additional 1/12 th of the difference between 6.75% and 5.40% for each month thereafter
July 2011 to June 2012	6.75% with respect to July 2011, plus an additional 1/12 th of the difference between 7.00% and 6.75% for each month thereafter
July 2012 and thereafter	7.00%

Group II Certificates: Any of the Class II-A-1, Class II-A-2, Class II-A-3, Class II-M-1, Class II-M-2, Class II-M-3, Class II-M-4, Class II-M-5, Class II-M-6, Class II-M-7, Class II-M-8, Class II-M-9, Class II-M-10, Class II-M-11, Class II-P, Class II-CE, Class II-R-1 and Class II-RX Certificates.

Group II Class IO Distribution Amount: As defined in Section 3.22 hereof. For purposes of clarity, the Group II Class IO Distribution Amount for any Distribution Date shall equal the amount payable to the Swap Administrator pursuant to the first and second sentences of Section 3.22(c) on such Distribution Date in excess of the amount payable on REMIC X Regular Interest IO on such Distribution Date, all as further provided in Section 3.22 hereof.

Group II Current Specified Enhancement Percentage: With respect to any Distribution Date, the percentage obtained by dividing (x) the sum of (i) the aggregate Certificate Principal Balance of the Class II-M Certificates and (ii) the Group II Overcollateralization Amount, in each case prior to the distribution of the related Principal Distribution Amount on such Distribution Date, by (y) the aggregate Stated Principal Balance of the Group II Mortgage Loans as of the end of the related Due Period (after giving effect to scheduled payments of principal due during the related Due Period with respect to Loan Group II, to the extent received or advanced, and unscheduled collections of principal received during the related Prepayment Period, and after reduction for Realized Losses incurred during the related Due Period with respect to Loan Group II).

Group II Delinquency Event: A Group II Delinquency Event shall have occurred and be continuing if at any time, (x) the percent equivalent of a fraction, the numerator of which is the aggregate Stated Principal Balance of the Group II Mortgage Loans that are 60 days or more Delinquent (including for this purpose any such Group II Mortgage Loans in bankruptcy or foreclosure and Group I Mortgage Loans with respect to which the related Mortgaged Property is REO Property), and the denominator of which is the aggregate Stated Principal Balance of all of the Group II Mortgage Loans as of the last day of the related Due Period exceeds (y) 29.50% of the Group II Current Specified Enhancement Percentage.

Group II Extra Principal Distribution Amount: With respect to any Distribution Date, the lesser of (i) the excess, if any, of the Group II Overcollateralization Target Amount for such Distribution Date over the Group II Overcollateralization Amount for such Distribution Date (after giving effect to distributions of principal on the Certificates other than any Group II Extra Principal Distribution Amount) and (ii) the related Excess Spread for such Distribution Date.

Group II Marker Rate: With respect to the Class II-CE Interest and any Distribution Date, a per annum rate equal to two (2) times the weighted average of the Uncertificated REMIC III Pass-Through Rates for the REMIC III Group II Regular Interests (other than REMIC III Regular Interests II-AA, II-IO and II-P), with the rate on each such REMIC III Group II Regular Interest (other than REMIC III Regular Interest II-ZZ) subject to a cap equal to the lesser of (i) the One-Month LIBOR Pass-Through Rate for the Corresponding Certificate and (ii) the Net Rate Cap for the REMIC IV Regular Interest the ownership of which is represented by the Corresponding Certificate for the purpose of this calculation for such Distribution Date, and with the rate on REMIC III Regular Interest II-ZZ subject to a cap of zero for the purpose of this calculation; provided, however, that solely for this purpose, the related cap with respect to each REMIC III Group II Regular Interest (other than REMIC III Regular Interests II-AA, II-ZZ, II-IO and II-P) shall be multiplied by a fraction, the numerator of which is 30 and the denominator of which is the actual number of days in the related Accrual Period.

Group II Maximum Uncertificated Accrued Interest Deferral Amount: With respect to any Distribution Date, the excess of (i) accrued interest at the Uncertificated REMIC III Pass-Through Rate applicable to REMIC III Regular Interest II-ZZ for such Distribution Date on a balance equal to the Uncertificated Principal Balance of REMIC III Regular Interest II-ZZ minus the REMIC III Group II Overcollateralization Amount, in each case for such Distribution Date, over (ii) the aggregate amount of Uncertificated Accrued Interest for such Distribution Date on the REMIC III Group II Regular Interests (other than REMIC III Regular Interests II-AA, II-ZZ, II-IO and II-P), with the rate on each such REMIC III Group II Regular Interest subject to a cap equal to the lesser of (x) the One-Month LIBOR Pass Through Rate for the Corresponding Certificate and (y) the Net Rate Cap for the REMIC IV Regular Interest the ownership of which is represented by the Corresponding Certificate for the purpose of this calculation for such Distribution Date; provided, however, that solely for this purpose, the related cap with respect to each REMIC III Group II Regular Interest (other than REMIC III Regular Interests II-AA, II-ZZ, II-IO and II-P) shall be multiplied by a fraction, the numerator of which is 30 and the denominator of which is the actual number of days in the related Accrual Period.

Group II Mortgage Loans: The Mortgage Loans related to Loan Group II.

Group II Net Swap Payment: With respect to each Distribution Date, the net payment required to be made pursuant to the terms of the Group II Swap Agreement by either the Group II Swap Provider or the Swap Administrator, which net payment shall not take into account any Group II Swap Termination Payment.

Group II Notional Amount: With respect to each Distribution Date and the Group II Swap Agreement, the notional amount for the related calculation period as set forth in the related schedule set forth in Exhibit N.

Group II Offered Certificates: Any of the Class II-A-1, Class II-A-2, Class II-A-3, Class II-M-1, Class II-M-2, Class II-M-3, Class II-M-4, Class II-M-5, Class II-M-6, Class II-M-7, Class II-M-8 and Class II-M-9 Certificates.

Group II Optional Termination: The termination of the portion of the Trust Fund related to Loan Group II created hereunder as a result of the purchase of all of the Group II Mortgage Loans and any related REO Property pursuant to Section 10.01 hereof.

Group II Optional Termination Date: The Distribution Date on which the Stated Principal Balance of all of the Group II Mortgage Loans is equal to or less than 10% of the Stated Principal Balance of all of the Group II Mortgage Loans as of the Cut-off Date.

Group II Overcollateralization Amount: With respect to any Distribution Date, the excess, if any, of the aggregate Stated Principal Balance of the Group II Mortgage Loans as of the last day of the related Due Period (after giving effect to scheduled payments of principal due during the related Due Period, to the extent received or advanced, and unscheduled collections of principal received during the related Prepayment Period, and after reduction for Realized Losses incurred during

EX-4.1 3 d549471ex4_1.htm POOLING AND SERVICING AGREEMENT

BEAR STEARNS ASSET BACKED SECURITIES I LLC

Depositor,

EMC MORTGAGE CORPORATION

Seller and Master Servicer

and

LASALLE BANK NATIONAL ASSOCIATION

Trustee

POOLING AND SERVICING AGREEMENT

Dated as of August 1, 2006

BEAR STEARNS ASSET BACKED SECURITIES I TRUST 2006-HE7

ASSET-BACKED CERTIFICATES, SERIES 2006-HE7

Depository Participant: A broker, dealer, bank or other financial institution or other Person for whom from time to time a Depository effects book-entry transfers and pledges of securities deposited with the Depository.

Determination Date: With respect to any Distribution Date, the 15th day of the month of such Distribution Date or, if such 15th day is not a Business Day, the immediately preceding Business Day.

Distribution Account: The separate Eligible Account created and maintained by the Trustee pursuant to Section 4.04 in the name of the Trustee for the benefit of the Certificateholders designated "LaSalle Bank National Association, in trust for registered holders of Bear Stearns Asset Backed Securities I LLC, Asset-Backed Certificates, Series 2006-HE7". Funds in the Distribution Account shall be held in trust for the Certificateholders for the uses and purposes set forth in this Agreement.

Distribution Account Deposit Date: Two Business Days prior to each Distribution Date.

Distribution Date: The 25th day of each calendar month after the initial issuance of the Certificates, or if such 25th day is not a Business Day, the next succeeding Business Day, commencing in September 2006.

Due Date: As to any Mortgage Loan, the date in each month on which the related Scheduled Payment is due, as set forth in the related Mortgage Note.

Due Period: With respect to any Distribution Date, the period from the second day of the calendar month preceding the calendar month in which such Distribution Date occurs through close of business on the first day of the calendar month in which such Distribution Date occurs.

Eligible Account: Any of (i) an account or accounts maintained with a federal or state chartered depository institution or trust company, the long-term unsecured debt obligations and short-term unsecured debt obligations of which (or, in the case of a depository institution or trust company that is the principal subsidiary of a holding company, the debt obligations of such holding company, so long as Moody's is not a Rating Agency) are rated by each Rating Agency in one of its two highest long-term and its highest short-term rating categories, respectively, at the time any amounts are held on deposit therein, or (ii) an account or accounts in a depository institution or trust company in which such accounts are insured by the FDIC (to the limits established by the FDIC) and the uninsured deposits in which accounts are otherwise secured such that, as evidenced by an Opinion of Counsel delivered to the Trustee and to each Rating Agency, the Certificateholders have a claim with respect to the funds in such account or a perfected first priority security interest against any collateral (which shall be limited to Permitted Investments) securing such funds that is superior to claims of any other depositors or creditors of the depository institution or trust company in which such account is maintained, or (iii) a trust account or accounts maintained with the corporate trust department of a federal or state chartered depository institution or trust company having capital and surplus of not less than \$50,000,000, acting in its fiduciary capacity or (iv) any other account acceptable to the Rating Agencies, as evidenced in writing. Eligible Accounts may bear interest, and may include, if otherwise qualified under this definition, accounts maintained with the Trustee.

EMC: EMC Mortgage Corporation, a Delaware corporation, and its successors and assigns.

EMC Flow Loans: The Mortgage Loans purchased by EMC pursuant to a flow loan purchase agreement.

EMC Mortgage Loans: The Mortgage Loans identified as such on the Mortgage Loan Schedule for which EMC is the applicable Seller.

ERISA: The Employee Retirement Income Security Act of 1974, as amended.

ERISA Restricted Certificates: Any of the Class CE, Class P and Residual Certificates.

Event of Default: As defined in Section 8.01 hereof.

Excess Cashflow: With respect to any Distribution Date and any Loan Group, an amount, if any, equal to the sum of (a) the related Remaining Excess Spread for such Distribution Date and (b) the related Overcollateralization Release Amount for such Distribution Date.

Excess Liquidation Proceeds: To the extent not required by law to be paid to the related Mortgagor, the excess, if any, of any Liquidation Proceeds with respect to a Mortgage Loan over the Stated Principal Balance of such Mortgage Loan and accrued and unpaid interest at the related Mortgage Rate through the last day of the month in which the Mortgage Loan has been liquidated.

Excess Spread: With respect to any Distribution Date and any Loan Group, the excess, if any, of (i) the Interest Funds with respect to the related Loan Group for such Distribution Date over (ii) the sum of the Current Interest on the related Class A Certificates and Class M Certificates and Interest Carry Forward Amounts on the related Class A Certificates (other than Interest Carry Forward Amounts paid pursuant to Section 5.04(a)(3)(A) with respect to Loan Group I and 5.04(b)(4)(A) with respect to Loan Group II), in each case for such Distribution Date.

Exchange Act: Securities Exchange Act of 1934, as amended.

Exemption: Prohibited Transaction Exemption 90-30, as amended from time to time.

Extra Principal Distribution Amount: Any of the Group I Extra Principal Distribution Amount or Group II Extra Principal Distribution Amount.

Fannie Mae: Fannie Mae (formerly, Federal National Mortgage Association), or any successor thereto.

FDIC: The Federal Deposit Insurance Corporation, or any successor thereto.

Final Certification: The certification substantially in the form of Exhibit Three to the Custodial Agreement.

Final Recovery Determination: With respect to any defaulted Mortgage Loan or any REO Property (other than a Mortgage Loan or REO Property purchased by EMC (on its own behalf as a seller and on behalf of Master Funding) pursuant to or as contemplated by Section 2.03(c) or Section 10.01), a determination made by the Master Servicer that all Insurance Proceeds, Liquidation Proceeds and other payments or recoveries which the Master Servicer, in its reasonable good faith judgment, expects to be finally recoverable in respect thereof have been so recovered. The Trustee shall maintain records, based solely on information provided by the Master Servicer, of each Final Recovery Determination made thereby.

FIRREA: The Financial Institutions Reform, Recovery, and Enforcement Act of 1989.

Fiscal Quarter: December 1 to February 29 (or the last day in such month), March 1 to May 31, June 1 to August 31, or September 1 to November 30, as applicable.

Fitch: Fitch, Inc. and any successor thereto.

Form 8-K Disclosure Information: As defined in Section 3.16(a)(iii).

Freddie Mac: Federal Home Loan Mortgage Corporation, or any successor thereto.

Global Certificate: Any Private Certificate registered in the name of the Depository or its nominee, beneficial interests in which are reflected on the books of the Depository or on the books of a Person maintaining an account with such Depository (directly or as an indirect participant in accordance with the rules of such depository).

Gross Margin: With respect to each Adjustable Rate Mortgage Loan, the fixed percentage set forth in the related Mortgage Note that is added to the Index on each Adjustment Date in accordance with the terms of the related Mortgage Note used to determine the Mortgage Rate for such Mortgage Loan.

Group I Significance Percentage: With respect to any Distribution Date, and in accordance with Item 1115 of Regulation AB, shall be a percentage equal to the Group I Significance Estimate divided by the aggregate outstanding Certificate Principal Balance of the Class I-A Certificates and Class I-M Certificates, prior to the distribution of the related Principal Distribution Amount on such Distribution Date.

Group I Stepdown Date: The earlier to occur of, (I) the first Distribution Date following the Distribution Date for which the Certificate Principal Balance for each of the Class I-A Certificates has been reduced to zero, and (II) the later to occur of (a) the Distribution Date in September 2009 and (b) the first Distribution Date on which the Group I Current Specified Enhancement Percentage is greater than or equal to 49.40%.

Group I Sub-Trust: The portion of the Trust Fund allocated to Loan Group I.

Group I Supplemental Interest Trust: The corpus of a trust created pursuant to Section 3.21 of this Agreement and designated as the "Group I Supplemental Interest Trust," consisting of the Group I Swap Agreement, the rights in respect of the Swap Administration Agreement that relate to Loan Group I, the Group I Swap Account and REMIC VII Regular Interest IO. For the avoidance of doubt, the Group I Supplemental Interest Trust, the Group I Swap Agreement, the Group I Swap Account and the Swap Administration Agreement do not constitute parts of the Trust Fund or any REMIC.

Group I Supplemental Interest Trust Trustee: LaSalle Bank National Association, a national banking association not in its individual capacity but solely in its capacity as group I supplemental interest trust trustee and any successor thereto, and any corporation or national banking association resulting from or surviving any consolidation or merger to which it or its successors may be a party and any successor group I supplemental interest trust trustee as may from time to time be serving as successor group I supplemental interest trust trustee.

Group I Swap Account: The separate trust account created and maintained by the Swap Administrator, and held within the Group I Supplemental Interest Trust, pursuant to the Swap Administration Agreement.

Group I Swap Agreement: The interest rate swap agreement between the Group I Swap Provider and the Group I Supplemental Interest Trust Trustee, which agreement provides for Group I Net Swap Payments and Group I Swap Termination Payments to be paid, as provided therein, together with any schedules, confirmations or other agreements relating thereto, attached hereto as Exhibit M.

Group I Swap Optional Termination Payment: As defined in Section 10.01.

Group I Swap Provider: The swap provider under the Group I Swap Agreement either (a) entitled to receive payments from the Swap Administrator from amounts payable by the Trust Fund with respect to Loan Group I under this Agreement or (b) required to make payments to the Swap Administrator for distribution as provided herein, in either case pursuant to the terms of the Group I Swap Agreement, and any successor in interest or assign. Initially, the Group I Swap Provider shall be Bear Stearns Financial Products Inc.

Group I Swap Provider Trigger Event: With respect to any Distribution Date, (i) an Event of Default under the Group I Swap Agreement with respect to which the Group I Swap Provider is a Defaulting Party, (ii) a Termination Event under the Group I Swap Agreement with respect to which the Group I Swap Provider is the sole Affected Party, or (iii) an Additional Termination Event under the Group I Swap Agreement with respect to which the Group I Swap Provider is the sole Affected Party.

Group I Swap Termination Payment: Upon the designation of an "Early Termination Date" as defined in the Group I Swap Agreement, the payment to be made by the Swap Administrator to the Group I Swap Provider from payments from the Trust Fund with respect to Loan Group I, or by the Group I Swap Provider to the Swap Administrator for payment to the Trust Fund with respect to Loan Group I, as applicable, pursuant to the terms of the Group I Swap Agreement.

Group I Trigger Event: With respect to any Distribution Date, a Group I Trigger Event exists if (i) a related Delinquency Event shall have occurred and be continuing or (ii) the aggregate amount of Realized Losses on the Group I Mortgage Loans since the Cut-off Date as a percentage of the aggregate Cut-off Date Principal Balance of the Group I Mortgage Loans exceeds the applicable percentages set forth below with respect to such Distribution Date:

Distribution Date	Percentage
September 2009 through August 2010	3.65% with respect to September 2009, plus an additional 1/12 th of the difference between 5.70% and 3.65% for each month thereafter
September 2010 through August 2011	5.70% with respect to September 2010, plus an additional 1/12 th of the difference between 7.35% and 5.70% for each month thereafter
September 2011 through August 2012	7.35% with respect to September 2011, plus an additional 1/12 th of the difference between 8.25% and 7.35% for each month thereafter
September 2012 and thereafter	8.25%

Group II Certificates: Any of the Class II-1A-1, Class II-1A-2, Class II-1A-3, Class II-2A, Class II-M-1, Class II-M-2, Class II-M-3, Class II-M-4, Class II-M-5, Class II-M-6, Class II-M-7, Class II-M-8, Class II-M-9, Class II-M-10, Class II-M-11, Class II-P, Class II-CE, Class II-R-1 and Class II-RX Certificates.

Group II Class IO Distribution Amount: As defined in Section 3.22 hereof. For purposes of clarity, the Group II Class IO Distribution Amount for any Distribution Date shall equal the amount payable to the Swap Administrator pursuant to the first and second sentences of Section 3.22(c) on such Distribution Date in excess of the amount payable on REMIC X Regular Interest IO on such Distribution Date, all as further provided in Section 3.22 hereof.

Group II Current Specified Enhancement Percentage: With respect to any Distribution Date, the percentage obtained by dividing (x) the sum of (i) the aggregate Certificate Principal Balance of the Class II-M Certificates and (ii) the Group II Overcollateralization Amount, in each case prior to the distribution of the related Principal Distribution Amount on such Distribution Date, by (y) the aggregate Stated Principal Balance of the Group II Mortgage Loans as of the end of the related Due Period (after giving effect to scheduled payments of principal due during the related Due Period with respect to Loan Group II, to the extent received or advanced, and unscheduled collections of principal received during the related Prepayment Period, and after reduction for Realized Losses incurred during the related Due Period with respect to Loan Group II).

Group II Delinquency Event: A Group II Delinquency Event shall have occurred and be continuing if at any time, (x) the percent equivalent of a fraction, the numerator of which is the aggregate Stated Principal Balance of the Group II Mortgage Loans that are 60 days or more Delinquent (including for this purpose any such Group II Mortgage Loans in bankruptcy or foreclosure and Group I Mortgage Loans with respect to which the related Mortgaged Property is REO Property), and the denominator of which is the aggregate Stated Principal Balance of all of the Group II Mortgage Loans as of the last day of the related Due Period exceeds (y) 34.25% of the Group II Current Specified Enhancement Percentage.

Group II Estimated Swap Termination Payment: As defined in the Group II Swap Agreement.

Group II Extra Principal Distribution Amount: With respect to any Distribution Date, the lesser of (i) the excess, if any, of the Group II Overcollateralization Target Amount for such Distribution Date over the Group II Overcollateralization Amount for such Distribution Date (after giving effect to distributions of principal on the Certificates other than any Group II Extra Principal Distribution Amount) and (ii) the related Excess Spread for such Distribution Date.

Group II Marker Rate: With respect to the Class II-CE Interest and any Distribution Date, a per annum rate equal to two (2) times the weighted average of the Uncertificated REMIC III Pass-Through Rates for the REMIC III Group II Regular Interests (other than REMIC III Regular Interests II-AA, II-IO, II-P, II-1-Sub, II-1-Grp, II-2-Sub, II-2-Grp and II-XX), with the rate on each such REMIC III Group II Regular Interest (other than REMIC III Regular Interest II-ZZ) subject to a cap equal to the lesser of (i) the One-Month LIBOR Pass-Through Rate for the Corresponding Certificate and (ii) the Net Rate Cap for the REMIC IV Regular Interest the ownership of which is represented by the Corresponding Certificate for the purpose of this calculation for such Distribution Date, and with the rate on REMIC III Regular Interest II-ZZ subject to a cap of zero for the purpose of this calculation; provided, however, that solely for this purpose, the related cap with respect to each REMIC III Group II Regular Interest (other than REMIC III Regular Interests II-AA, II-ZZ, II-IO, II-P, II-1-Sub, II-1-Grp, II-2-Sub, II-2-Grp and II-XX) shall be multiplied by a fraction, the numerator of which is 30 and the denominator of which is the actual number of days in the related Accrual Period.

EX-4.1 3 d578694_ex4-1.htm POOLING AND SERVICING AGREEMENT

BEAR STEARNS ASSET BACKED SECURITIES I LLC

Depositor,

EMC MORTGAGE CORPORATION

Seller and Master Servicer

and

LASALLE BANK NATIONAL ASSOCIATION

Trustee

POOLING AND SERVICING AGREEMENT

Dated as of October 1, 2006

BEAR STEARNS ASSET BACKED SECURITIES I TRUST 2006-HE8

ASSET-BACKED CERTIFICATES, SERIES 2006-HE8

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Event of Default: As defined in Section 8.01 hereof.

Excess Cashflow: With respect to any Distribution Date and any Loan Group, an amount, if any, equal to the sum of (a) the related Remaining Excess Spread for such Distribution Date and (b) the related Overcollateralization Release Amount for such Distribution Date.

Excess Liquidation Proceeds: To the extent not required by law to be paid to the related Mortgagor, the excess, if any, of any Liquidation Proceeds with respect to a Mortgage Loan over the Stated Principal Balance of such Mortgage Loan and accrued and unpaid interest at the related Mortgage Rate through the last day of the month in which the Mortgage Loan has been liquidated.

Excess Spread: With respect to any Distribution Date and any Loan Group, the excess, if any, of (i) the Interest Funds with respect to the related Loan Group for such Distribution Date over (ii) the sum of the Current Interest on the related Class A Certificates and Class M Certificates and Interest Carry Forward Amounts on the related Class A Certificates (other than Interest Carry Forward Amounts paid pursuant to Section 5.04(a)(3)(A) with respect to Loan Group I and 5.04(b)(4)(A) with respect to Loan Group II), in each case for such Distribution Date.

Exchange Act: Securities Exchange Act of 1934, as amended.

Exemption: Prohibited Transaction Exemption 90-30, as amended from time to time.

Extra Principal Distribution Amount: Any of the Group I Extra Principal Distribution Amount or Group II Extra Principal Distribution Amount.

Fannie Mae: Fannie Mae (formerly, Federal National Mortgage Association), or any successor thereto.

FDIC: The Federal Deposit Insurance Corporation, or any successor thereto.

Final Certification: The certification substantially in the form of Exhibit Three to the Custodial Agreement.

Final Recovery Determination: With respect to any defaulted Mortgage Loan or any REO Property (other than a Mortgage Loan or REO Property purchased by EMC (on its own behalf as a seller and on behalf of Master Funding) pursuant to or as contemplated by Section 2.03(c) or Section 10.01), a determination made by the Master Servicer that all Insurance Proceeds, Liquidation Proceeds and other payments or recoveries which the Master Servicer, in its reasonable good faith judgment, expects to be finally recoverable in respect thereof have been so recovered. The Trustee shall maintain records, based solely on information provided by the Master Servicer, of each Final Recovery Determination made thereby.

FIRREA: The Financial Institutions Reform, Recovery, and Enforcement Act of 1989.

Fiscal Quarter: December 1 to February 29 (or the last day in such month), March 1 to May 31, June 1 to August 31, or September 1 to November 30, as applicable.

Fitch: Fitch, Inc. and any successor thereto.

Form 8-K Disclosure Information: As defined in Section 3.16(a)(iii).

Freddie Mac: Federal Home Loan Mortgage Corporation, or any successor thereto.

Global Certificate: Any Private Certificate registered in the name of the Depository or its nominee, beneficial interests in which are reflected on the books of the Depository or on the books of a Person maintaining an account with such Depository (directly or as an indirect participant in accordance with the rules of such depository).

Gross Margin: With respect to each Adjustable Rate Mortgage Loan, the fixed percentage set forth in the related Mortgage Note that is added to the Index on each Adjustment Date in accordance with the terms of the related Mortgage Note used to determine the Mortgage Rate for such Mortgage Loan.

Group I Certificates: Any of the Class I-A-1, Class I-A-2, Class I-A-3, Class I-M-1, Class I-M-2, Class I-M-3, Class I-M-4, Class I-M-5, Class I-M-6, Class I-M-7, Class I-M-8, Class I-M-9, Class I-M-10, Class I-M-11, Class I-P, Class I-CE, Class I-R-1, Class I-R-2, Class I-R-3 and Class I-RX Certificates.

Group I Class IO Distribution Amount: As defined in Section 3.21 hereof. For purposes of clarity, the Group I Class IO Distribution Amount for any Distribution Date shall equal the amount payable to the Swap Administrator pursuant to the first and second sentences of Section 3.21(c) on such Distribution Date in excess of the amount payable on REMIC VII Regular Interest IO on such Distribution Date, all as further provided in Section 3.21 hereof.

Group I Current Specified Enhancement Percentage: With respect to any Distribution Date, the percentage obtained by dividing (x) the sum of (i) the aggregate Certificate Principal Balance of the Class I-M Certificates and (ii) the Group I Overcollateralization Amount, in each case prior to the distribution of the related Principal Distribution Amount on such Distribution Date, by (y) the aggregate Stated Principal Balance of the Group I Mortgage Loans as of the end of the related Due Period (after giving effect to scheduled payments of principal due during the related Due Period with respect to Loan Group I, to the extent received or advanced, and unscheduled collections of principal received during the related Prepayment Period, and after reduction for Realized Losses incurred during the prior calendar month with respect to Loan Group I).

Group I Delinquency Event: A Group I Delinquency Event shall have occurred and be continuing if at any time, (x) the percent equivalent of a fraction, the numerator of which is the aggregate Stated Principal Balance of the Group I Mortgage Loans that are 60 days or more Delinquent (including for this purpose any such Group I Mortgage Loans in bankruptcy or foreclosure and Group I Mortgage Loans with respect to which the related Mortgaged Property is REO Property), and the denominator of which is the aggregate Stated Principal Balance of all of the Group I Mortgage Loans as of the last day of the related Due Period exceeds (y) 31.00% of the Group I Current Specified Enhancement Percentage.

Group I Extra Principal Distribution Amount: With respect to any Distribution Date, the lesser of (i) the excess, if any, of the Group I Overcollateralization Target Amount for such Distribution Date over the Group I Overcollateralization Amount for such Distribution Date (after giving effect to distributions of principal on the Certificates other than any Group I Extra Principal Distribution Amount) and (ii) the related Excess Spread for such Distribution Date.

Group II Extra Principal Distribution Amount: With respect to any Distribution Date, the lesser of (i) the excess, if any, of the Group II Overcollateralization Target Amount for such Distribution Date over the Group II Overcollateralization Amount for such Distribution Date (after giving effect to distributions of principal on the Certificates other than any Group II Extra Principal Distribution Amount) and (ii) the related Excess Spread for such Distribution Date.

Group II Marker Rate: With respect to the Class II-CE Interest and any Distribution Date, a per annum rate equal to two (2) times the weighted average of the Uncertificated REMIC III Pass-Through Rates for the REMIC III Group II Regular Interests (other than REMIC III Regular Interests II-AA, II-IO, II-P, II-1-Sub, II-1-Grp, II-2-Sub, II-2-Grp and II-XX), with the rate on each such REMIC III Group II Regular Interest (other than REMIC III Regular Interest II-ZZ) subject to a cap equal to the lesser of (i) the One-Month LIBOR Pass-Through Rate for the Corresponding Certificate and (ii) the Net Rate Cap for the REMIC IV Regular Interest the ownership of which is represented by the Corresponding Certificate for the purpose of this calculation for such Distribution Date, and with the rate on REMIC III Regular Interest II-ZZ subject to a cap of zero for the purpose of this calculation; provided, however, that solely for this purpose, the related cap with respect to each REMIC III Group II Regular Interest (other than REMIC III Regular Interests II-AA, II-ZZ, II-IO, II-P, II-1-Sub, II-1-Grp, II-2-Sub, II-2-Grp and II-XX) shall be multiplied by a fraction, the numerator of which is 30 and the denominator of which is the actual number of days in the related Accrual Period.

Group II Maximum Probable Exposure: With respect to each Distribution Date and the Group II Swap Agreement, the amount calculated by the Depositor in accordance with the Seller's internal risk management process in respect of similar instruments, such calculation to be performed as agreed by the Trustee and the Depositor.

Group II Maximum Uncertificated Accrued Interest Deferral Amount: With respect to any Distribution Date, the excess of (i) accrued interest at the Uncertificated REMIC III Pass-Through Rate applicable to REMIC III Regular Interest II-ZZ for such Distribution Date on a balance equal to the Uncertificated Principal Balance of REMIC III Regular Interest II-ZZ minus the REMIC III Group II Overcollateralization Amount, in each case for such Distribution Date, over (ii) the aggregate amount of Uncertificated Accrued Interest for such Distribution Date on the REMIC III Group II Regular Interests (other than REMIC III Regular Interests II-AA, II-ZZ, II-IO, II-P, II-1-Sub, II-1-Grp, II-2-Sub, II-2-Grp and II-XX), with the rate on each such REMIC III Group II Regular Interest subject to a cap equal to the lesser of (x) the One-Month LIBOR Pass Through Rate for the Corresponding Certificate and (y) the Net Rate Cap for the REMIC IV Regular Interest the ownership of which is represented by the Corresponding Certificate for the purpose of this calculation for such Distribution Date; provided, however, that solely for this purpose, the related cap with respect to each REMIC III Group II Regular Interest (other than REMIC III Regular Interests II-AA, II-ZZ, II-IO, II-P, II-1-Sub, II-1-Grp, II-2-Sub, II-2-Grp and II-XX) shall be multiplied by a fraction, the numerator of which is 30 and the denominator of which is the actual number of days in the related Accrual Period.

Group II Mortgage Loans: The Mortgage Loans related to Loan Group II.

Group II Net Swap Payment: With respect to each Distribution Date, the net payment required to be made pursuant to the terms of the Group II Swap Agreement by either the Group II Swap Provider or the Swap Administrator, which net payment shall not take into account any Group II Swap Termination Payment.

Group II Notional Amount: With respect to each Distribution Date and the Group II Swap Agreement, the notional amount for the related calculation period as set forth in the related schedule set forth in Exhibit N.

Group II Offered Certificates: Any of the Class II-1A-1, Class II-1A-2, Class II-1A-3, Class II-2A, Class II-M-1, Class II-M-2, Class II-M-3, Class II-M-4, Class II-M-5, Class II-M-6, Class II-M-7, Class II-M-8 and Class II-M-9 Certificates.

Group II Optional Termination: The termination of the portion of the Trust Fund related to Loan Group II created hereunder as a result of the purchase of all of the Group II Mortgage Loans and any related REO Property pursuant to Section 10.01 hereof.

Group II Optional Termination Date: The Distribution Date on which the Stated Principal Balance of all of the Group II Mortgage Loans is equal to or less than 10% of the Stated Principal Balance of all of the Group II Mortgage Loans as of the Cut-off Date.

Group II Overcollateralization Amount: With respect to any Distribution Date, the excess, if any, of the aggregate Stated Principal Balance of the Group II Mortgage Loans as of the last day of the related Due Period (after giving effect to scheduled payments of principal due during the related Due Period, to the extent received or advanced, and unscheduled collections of principal received during the related Prepayment Period, and after reduction for Realized Losses incurred during the prior calendar month) over the aggregate Certificate Principal Balance of the Class II-A Certificates and Class II-M Certificates on such Distribution Date (after taking into account the payment of principal other than any Group II Extra Principal Distribution Amount on such Certificates).

Group II Overcollateralization Release Amount: With respect to any Distribution Date, the lesser of (x) the related Principal Funds for such Distribution Date and (y) the excess, if any, of (i) the Group II Overcollateralization Amount for such Distribution Date (assuming that 100% of the related Principal Funds is applied as a principal payment on such Distribution Date) over (ii) the Group II Overcollateralization Target Amount for such Distribution Date (with the amount pursuant to clause (y) deemed to be \$0 if the Group II Overcollateralization Amount is less than or equal to the Group II Overcollateralization Target Amount on that Distribution Date).

Group II Overcollateralization Target Amount: With respect to any Distribution Date (a) prior to the Group II Stepdown Date, 1.90% of the aggregate Stated Principal Balance of the Group II Mortgage Loans as of the Cut-off Date, (b) on or after the Group II Stepdown Date and if a Group II Trigger Event is not in effect, the greater of (i) the lesser of (1) 1.90% of the aggregate Stated Principal Balance of the Group II Mortgage Loans as of the Cut-off Date and (2) 3.80% of the aggregate Stated Principal Balance of the Group II Mortgage Loans as of the last day of the related Due Period (after giving effect to scheduled payments of principal due during the related Due Period, to the extent received or advanced, and unscheduled collections of principal received during the related Prepayment Period, and after reduction for Realized Losses incurred during the prior calendar month) and (ii) \$1,367,968 or (c) on or after the Group II Stepdown Date and if a Group II Trigger Event is in effect, the Group II Overcollateralization Target Amount for the immediately preceding Distribution Date.

Group II Regular Certificate: Any of the Group II Certificates other than the Group II Residual Certificates.

Group II Reserve Fund: Shall mean the separate trust account created and maintained by the Trustee pursuant to Section 3.22 hereof.

Group II Reserve Fund Deposit: With respect to the Group II Reserve Fund, an amount equal to \$5,000, which the Depositor shall initially deposit into the Group II Reserve Fund pursuant to Section 3.22 hereof.

Group II Residual Certificates: The Class II-R-1 Certificates and Class II-RX Certificates, each evidencing the sole class of Residual Interests in the related REMIC.

Group II Senior Certificates: Any of the Class II-1A-1, Class II-1A-2, Class II-1A-3 and Class II-2A Certificates.

EX-4.1 3 d603397_ex4-1.htm POOLING AND SERVICING AGREEMENT

BEAR STEARNS ASSET BACKED SECURITIES I LLC

Depositor,

EMC MORTGAGE CORPORATION

Seller and Master Servicer

and

LASALLE BANK NATIONAL ASSOCIATION

Trustee

POOLING AND SERVICING AGREEMENT

Dated as of December 1, 2006

BEAR STEARNS ASSET BACKED SECURITIES I TRUST 2006-HE10

ASSET-BACKED CERTIFICATES, SERIES 2006-HE10

ERISA: The Employee Retirement Income Security Act of 1974, as amended.

ERISA Restricted Certificates: Any of the Class CE, Class P and Residual Certificates.

Event of Default: As defined in Section 8.01 hereof.

Excess Cashflow: With respect to any Distribution Date and any Loan Group, an amount, if any, equal to the sum of (a) the related Remaining Excess Spread for such Distribution Date and (b) the related Overcollateralization Release Amount for such Distribution Date.

Excess Liquidation Proceeds: To the extent not required by law to be paid to the related Mortgagor, the excess, if any, of any Liquidation Proceeds with respect to a Mortgage Loan over the Stated Principal Balance of such Mortgage Loan and accrued and unpaid interest at the related Mortgage Rate through the last day of the month in which the Mortgage Loan has been liquidated.

Excess Spread: With respect to any Distribution Date and any Loan Group, the excess, if any, of (i) the Interest Funds with respect to the related Loan Group for such Distribution Date over (ii) the sum of the Current Interest on the related Class A Certificates and Class M Certificates and Interest Carry Forward Amounts on the related Class A Certificates (other than Interest Carry Forward Amounts paid pursuant to Section 5.04(a)(3)(A) with respect to Loan Group I and 5.04(b)(4)(A) with respect to Loan Group II), in each case for such Distribution Date.

Exchange Act: Securities Exchange Act of 1934, as amended.

Exemption: Prohibited Transaction Exemption 90-30, as amended from time to time.

Extra Principal Distribution Amount: Any of the Group I Extra Principal Distribution Amount or Group II Extra Principal Distribution Amount.

Fannie Mae: Fannie Mae (formerly, Federal National Mortgage Association), or any successor thereto.

FDIC: The Federal Deposit Insurance Corporation, or any successor thereto.

Final Certification: The certification substantially in the form of Exhibit Three to the Custodial Agreement.

Final Recovery Determination: With respect to any defaulted Mortgage Loan or any REO Property (other than a Mortgage Loan or REO Property purchased by EMC (on its own behalf as a Seller and on behalf of Master Funding) pursuant to or as contemplated by Section 2.03(c) or Section 10.01), a determination made by the Master Servicer that all Insurance Proceeds, Liquidation Proceeds and other payments or recoveries which the Master Servicer, in its reasonable good faith judgment, expects to be finally recoverable in respect thereof have been so recovered. The Master Servicer shall maintain records of each Final Recovery Determination made thereby.

FIRREA: The Financial Institutions Reform, Recovery, and Enforcement Act of 1989.

Fiscal Quarter: December 1 to February 29 (or the last day in such month), March 1 to May 31, June 1 to August 31, or September 1 to November 30, as applicable.

Fitch: Fitch, Inc. and any successor thereto.

Form 8-K Disclosure Information: As defined in Section 3.16(a)(iii).

Freddie Mac: Federal Home Loan Mortgage Corporation, or any successor thereto.

Global Certificate: Any Private Certificate registered in the name of the Depository or its nominee, beneficial interests in which are reflected on the books of the Depository or on the books of a Person maintaining an account with such Depository (directly or as an indirect participant in accordance with the rules of such depository).

Gross Margin: With respect to each Adjustable Rate Mortgage Loan, the fixed percentage set forth in the related Mortgage Note that is added to the Index on each Adjustment Date in accordance with the terms of the related Mortgage Note used to determine the Mortgage Rate for such Mortgage Loan.

Group I Certificates: Any of the Class I-A-1, Class I-A-2, Class I-A-3, Class I-M-1, Class I-M-2, Class I-M-3, Class I-M-4, Class I-M-5, Class I-M-6, Class I-M-7, Class I-M-8, Class I-M-9, Class I-P, Class I-CE, Class I-R-1, Class I-R-2, Class I-R-3 and Class I-RX Certificates.

Group I Class IO Distribution Amount: As defined in Section 3.21 hereof. For purposes of clarity, the Group I Class IO Distribution Amount for any Distribution Date shall equal the amount payable to the Swap Administrator pursuant to the first and second sentences of Section 3.21(c) on such Distribution Date in excess of the amount payable on REMIC VII Regular Interest IO on such Distribution Date, all as further provided in Section 3.21 hereof.

Group I Current Specified Enhancement Percentage: With respect to any Distribution Date, the percentage obtained by dividing (x) the sum of (i) the aggregate Certificate Principal Balance of the Class I-M Certificates and (ii) the Group I Overcollateralization Amount, in each case prior to the distribution of the related Principal Distribution Amount on such Distribution Date, by (y) the aggregate Stated Principal Balance of the Group I Mortgage Loans as of the end of the related Due Period (after giving effect to scheduled payments of principal due during the related Due Period with respect to Loan Group I, to the extent received or advanced, and unscheduled collections of principal received during the related Prepayment Period, and after reduction for Realized Losses incurred during the prior calendar month with respect to Loan Group I).

Group I Delinquency Event: A Group I Delinquency Event shall have occurred and be continuing if at any time, (x) the percent equivalent of a fraction, the numerator of which is the aggregate Stated Principal Balance of the Group I Mortgage Loans that are 60 days or more Delinquent (including for this purpose any such Group I Mortgage Loans in bankruptcy or foreclosure and Group I Mortgage Loans with respect to which the related Mortgaged Property is REO Property), and the denominator of which is the aggregate Stated Principal Balance of all of the Group I Mortgage Loans as of the last day of the related Due Period (after giving effect to scheduled payments of principal due during the related Due Period with respect to Loan Group I, to the extent received or advanced, and unscheduled collections of principal received during the related Prepayment Period, and after reduction for Realized Losses incurred during the prior calendar month with respect to Loan Group I) exceeds (y) 27.00% of the Group I Current Specified Enhancement Percentage.

Group I Extra Principal Distribution Amount: With respect to any Distribution Date, the lesser of (i) the excess, if any, of the Group I Overcollateralization Target Amount for such Distribution Date over the Group I Overcollateralization Amount for such Distribution Date (after giving effect to distributions of principal on the Certificates other than any Group I Extra Principal Distribution Amount) and (ii) the related Excess Spread for such Distribution Date.

Group I Guarantor: As defined in Section 3.21(i).

Group I Guaranty: As defined in Section 3.21(i).

Group I Initial Interest Coverage Deposit: The amount to be paid by the Depositor to the Trustee for deposit in the Group I Interest Coverage Account on the Closing Date, which amount is \$207,595.18.

Group I Interest Coverage Account: The account or sub-account established and maintained pursuant to Section 4.09 and which shall be an Eligible Account or a sub-account of an Eligible Account.

EX-4.1 2 d421210_newex4-1.htm POOLING AND SERVICING AGREEMENT
BEAR STEARNS ASSET BACKED SECURITIES I LLC,

DEPOSITOR,

EMC MORTGAGE CORPORATION,

SPONSOR AND MASTER SERVICER,

AND

LASALLE BANK NATIONAL ASSOCIATION,

TRUSTEE

POOLING AND SERVICING AGREEMENT

DATED AS OF JANUARY 1, 2006

BEAR STEARNS ASSET BACKED SECURITIES I TRUST 2006-PC1

ASSET-BACKED CERTIFICATES, SERIES 2006-PC1

the Stated Principal Balance of such Mortgage Loan and accrued and unpaid interest at the related Mortgage Rate through the last day of the month in which the Mortgage Loan has been liquidated.

Excess Non-REMIC Termination Payment: As defined in Section 10.01.

Excess Spread: With respect to any Distribution Date, the excess, if any, of (i) the Interest Funds for such Distribution Date over (ii) the sum of the Current Interest on the Class A Certificates and Class M Certificates and Interest Carry Forward Amounts on the Class A Certificates (other than Interest Carry Forward Amounts paid pursuant to Sections 5.04(a)(3)(A), in each case for such Distribution Date.

Exchange Act: Securities Exchange Act of 1934, as amended.

Exemption: Prohibited Transaction Exemption 90-30, as amended from time to time.

Extra Principal Distribution Amount: With respect to any Distribution Date, the lesser of (i) the excess, if any, of the Overcollateralization Target Amount for such Distribution Date over the Overcollateralization Amount for such Distribution Date (after giving effect to distributions of principal on the Certificates other than any Extra Principal Distribution Amount) and (ii) the Excess Spread for such Distribution Date.

Fannie Mae: Fannie Mae (formerly, Federal National Mortgage Association), or any successor thereto.

FDIC: The Federal Deposit Insurance Corporation, or any successor thereto.

Final Certification: The certification substantially in the form of Exhibit Three to the Custodial Agreement.

Final Recovery Determination: With respect to any defaulted Mortgage Loan or any REO Property (other than a Mortgage Loan or REO Property purchased by EMC (on its own behalf as a seller and on behalf of Master Funding) pursuant to or as contemplated by Section 2.03(c) or Section 10.01), a determination made by the Master Servicer that all Insurance Proceeds, Liquidation Proceeds and other payments or recoveries which the Master Servicer, in its reasonable good faith judgment, expects to be finally recoverable in respect thereof have been so recovered. The Trustee shall maintain records, based solely on information provided by the Master Servicer, of each Final Recovery Determination made thereby.

FIRREA: The Financial Institutions Reform, Recovery, and Enforcement Act of 1989.

Fiscal Quarter: December 1 to February 29 (or the last day in such month), March 1 to May 31, June 1 to August 31, or September 1 to November 30, as applicable.

Fitch: Fitch, Inc. and any successor thereto.

Form 8-K Disclosure Information: has the meaning set forth in Section 3.16(a)(iii).

EX-4.1 3 d641683ex4_1.htm POOLING AND SERVICING AGREEMENT

BEAR STEARNS ASSET BACKED SECURITIES I LLC

Depositor,

EMC MORTGAGE CORPORATION

Seller and Master Servicer

and

LASALLE BANK NATIONAL ASSOCIATION

Trustee

POOLING AND SERVICING AGREEMENT

Dated as of February 1, 2007

BEAR STEARNS ASSET BACKED SECURITIES I TRUST 2007-FS1

ASSET-BACKED CERTIFICATES, SERIES 2007-FS1

FSI". Funds in the Distribution Account shall be held in trust for the Certificateholders for the uses and purposes set forth in this Agreement.

Distribution Account Deposit Date: Two Business Days prior to each Distribution Date.

Distribution Date: The 25th day of each calendar month after the initial issuance of the Certificates, or if such 25th day is not a Business Day, the next succeeding Business Day, commencing in March 2007.

Due Date: As to any Mortgage Loan, the date in each month on which the related Scheduled Payment is due, as set forth in the related Mortgage Note.

Due Period: With respect to any Distribution Date, the period from the second day of the calendar month preceding the calendar month in which such Distribution Date occurs through close of business on the first day of the calendar month in which such Distribution Date occurs.

Eligible Account: Any of (i) an account or accounts maintained with a federal or state chartered depository institution or trust company, the long-term unsecured debt obligations and short-term unsecured debt obligations of which (or, in the case of a depository institution or trust company that is the principal subsidiary of a holding company, the debt obligations of such holding company, so long as Moody's is not a Rating Agency) are rated by each Rating Agency in one of its two highest long-term and its highest short-term rating categories, respectively, at the time any amounts are held on deposit therein, or (ii) an account or accounts in a depository institution or trust company in which such accounts are insured by the FDIC (to the limits established by the FDIC) and the uninsured deposits in which accounts are otherwise secured such that, as evidenced by an Opinion of Counsel delivered to the Trustee and to each Rating Agency, the Certificateholders have a claim with respect to the funds in such account or a perfected first priority security interest against any collateral (which shall be limited to Permitted Investments) securing such funds that is superior to claims of any other depositors or creditors of the depository institution or trust company in which such account is maintained, or (iii) a trust account or accounts maintained with the corporate trust department of a federal or state chartered depository institution or trust company having capital and surplus of not less than \$50,000,000, acting in its fiduciary capacity or (iv) any other account acceptable to the Rating Agencies, as evidenced in writing. Eligible Accounts may bear interest, and may include, if otherwise qualified under this definition, accounts maintained with the Trustee.

EMC: EMC Mortgage Corporation, a Delaware corporation, and its successors and assigns.

EMC Flow Loans: The Mortgage Loans purchased by EMC pursuant to a flow loan purchase agreement.

EMC Mortgage Loans: The Mortgage Loans identified as such on the Mortgage Loan Schedule for which EMC is the applicable seller.

ERISA: The Employee Retirement Income Security Act of 1974, as amended.

ERISA Restricted Certificates: Any of the Class CE, Class P and Residual Certificates.

Event of Default: As defined in Section 8.01 hereof.

Excess Cashflow: With respect to any Distribution Date, an amount, if any, equal to the sum of (a) the Remaining Excess Spread for such Distribution Date and (b) the Overcollateralization Release Amount for such Distribution Date.

Excess Liquidation Proceeds: To the extent not required by law to be paid to the related Mortgagor, the excess, if any, of any Liquidation Proceeds with respect to a Mortgage Loan over the Stated Principal Balance of such Mortgage Loan and accrued and unpaid interest at the related Mortgage Rate through the last day of the month in which the Mortgage Loan has been liquidated.

Excess Spread: With respect to any Distribution Date, the excess, if any, of (i) the Interest Funds for such Distribution Date, over (ii) the sum of the Current Interest on the Class A Certificates and Class M Certificates and Interest Carry Forward Amounts on the Class A Certificates (other than Interest Carry Forward Amounts paid pursuant to Section 5.04(a)(4) (A)), in each case for such Distribution Date.

Exchange Act: Securities Exchange Act of 1934, as amended.

Exemption: Prohibited Transaction Exemption 90-30, as amended from time to time.

Extra Principal Distribution Amount: With respect to any Distribution Date, the lesser of (i) the excess, if any, of the Overcollateralization Target Amount for such Distribution Date, over the Overcollateralization Amount for such Distribution Date (after giving effect to distributions of principal on the Certificates other than any Extra Principal Distribution Amount) and (ii) the Excess Spread for such Distribution Date.

Fannie Mae: Fannie Mae (formerly, Federal National Mortgage Association), or any successor thereto.

FDIC: The Federal Deposit Insurance Corporation, or any successor thereto.

Final Certification: The certification substantially in the form of Exhibit Three to the Custodial Agreement.

Final Recovery Determination: With respect to any defaulted Mortgage Loan or any REO Property (other than a Mortgage Loan or REO Property purchased by EMC (on its own behalf as Seller and on behalf of Master Funding) pursuant to or as contemplated by Section 2.03(c) or Section 10.01), a determination made by the Master Servicer that all Insurance Proceeds, Liquidation Proceeds and other payments or recoveries which the Master Servicer, in its reasonable good faith judgment, expects to be finally recoverable in respect thereof have been so recovered. The Master Servicer shall maintain records of each Final Recovery Determination made thereby.

FIRREA: The Financial Institutions Reform, Recovery, and Enforcement Act of 1989.

Fiscal Quarter: December 1 to February 29 (or the last day in such month), March 1 to May 31, June 1 to August 31, or September 1 to November 30, as applicable.

Fitch: Fitch, Inc. and any successor thereto.

Form 8-K Disclosure Information: As defined in Section 3.16(a)(iii).

Freddie Mac: Federal Home Loan Mortgage Corporation, or any successor thereto.

EX-4.1 3 d618305ex4_1.htm POOLING AND SERVICING AGREEMENT

BEAR STEARNS ASSET BACKED SECURITIES I LLC

Depositor,

EMC MORTGAGE CORPORATION

Seller and Master Servicer

and

LASALLE BANK NATIONAL ASSOCIATION

Trustee

POOLING AND SERVICING AGREEMENT

Dated as of January 1, 2007

BEAR STEARNS ASSET BACKED SECURITIES I TRUST 2007-HE1

ASSET-BACKED CERTIFICATES, SERIES 2007-HE1

Determination Date: With respect to any Distribution Date, the 15th day of the month of such Distribution Date or, if such 15th day is not a Business Day, the immediately preceding Business Day.

Distribution Account: The separate Eligible Account created and maintained by the Trustee pursuant to Section 4.04 in the name of the Trustee for the benefit of the Certificateholders designated "LaSalle Bank National Association, in trust for registered holders of Bear Stearns Asset Backed Securities I LLC, Asset-Backed Certificates, Series 2007-HE1". Funds in the Distribution Account shall be held in trust for the Certificateholders for the uses and purposes set forth in this Agreement.

Distribution Account Deposit Date: Two Business Days prior to each Distribution Date.

Distribution Date: The 25th day of each calendar month after the initial issuance of the Certificates, or if such 25th day is not a Business Day, the next succeeding Business Day, commencing in February 2007.

Due Date: As to any Mortgage Loan, the date in each month on which the related Scheduled Payment is due, as set forth in the related Mortgage Note.

Due Period: With respect to any Distribution Date, the period from the second day of the calendar month preceding the calendar month in which such Distribution Date occurs through close of business on the first day of the calendar month in which such Distribution Date occurs.

Eligible Account: Any of (i) an account or accounts maintained with a federal or state chartered depository institution or trust company, the long-term unsecured debt obligations and short-term unsecured debt obligations of which (or, in the case of a depository institution or trust company that is the principal subsidiary of a holding company, the debt obligations of such holding company, so long as Moody's is not a Rating Agency) are rated by each Rating Agency in one of its two highest long-term and its highest short-term rating categories, respectively, at the time any amounts are held on deposit therein, or (ii) an account or accounts in a depository institution or trust company in which such accounts are insured by the FDIC (to the limits established by the FDIC) and the uninsured deposits in which accounts are otherwise secured such that, as evidenced by an Opinion of Counsel delivered to the Trustee and to each Rating Agency, the Certificateholders have a claim with respect to the funds in such account or a perfected first priority security interest against any collateral (which shall be limited to Permitted Investments) securing such funds that is superior to claims of any other depositors or creditors of the depository institution or trust company in which such account is maintained, or (iii) a trust account or accounts maintained with the corporate trust department of a federal or state chartered depository institution or trust company having capital and surplus of not less than \$50,000,000, acting in its fiduciary capacity or (iv) any other account acceptable to the Rating Agencies, as evidenced in writing. Eligible Accounts may bear interest, and may include, if otherwise qualified under this definition, accounts maintained with the Trustee.

EMC: EMC Mortgage Corporation, a Delaware corporation, and its successors and assigns.

EMC Flow Loans: The Mortgage Loans purchased by EMC pursuant to a flow loan purchase agreement.

EMC Mortgage Loans: The Mortgage Loans identified as such on the Mortgage Loan Schedule for which EMC is the applicable seller.

ERISA: The Employee Retirement Income Security Act of 1974, as amended.

ERISA Restricted Certificates: Any of the Class CE, Class P and Residual Certificates.

Event of Default: As defined in Section 8.01 hereof.

Excess Cashflow: With respect to any Distribution Date and any Loan Group, an amount, if any, equal to the sum of (a) the related Remaining Excess Spread for such Distribution Date and (b) the related Overcollateralization Release Amount for such Distribution Date.

Excess Liquidation Proceeds: To the extent not required by law to be paid to the related Mortgagor, the excess, if any, of any Liquidation Proceeds with respect to a Mortgage Loan over the Stated Principal Balance of such Mortgage Loan and accrued and unpaid interest at the related Mortgage Rate through the last day of the month in which the Mortgage Loan has been liquidated.

Excess Spread: With respect to any Distribution Date and any Loan Group, the excess, if any, of (i) the Interest Funds with respect to the related Loan Group for such Distribution Date over (ii) the sum of the Current Interest on the related Class A Certificates and Class M Certificates and Interest Carry Forward Amounts on the related Class A Certificates (other than Interest Carry Forward Amounts paid pursuant to Section 5.04(a)(3)(A) with respect to Loan Group I and 5.04(b)(4)(A) with respect to Loan Group II), in each case for such Distribution Date.

Exchange Act: Securities Exchange Act of 1934, as amended.

Exemption: Prohibited Transaction Exemption 90-30, as amended from time to time.

Extra Principal Distribution Amount: Any of the Group I Extra Principal Distribution Amount or Group II Extra Principal Distribution Amount.

Fannie Mae: Fannie Mae (formerly, Federal National Mortgage Association), or any successor thereto.

FDIC: The Federal Deposit Insurance Corporation, or any successor thereto.

Final Certification: The certification substantially in the form of Exhibit Three to the Custodial Agreement.

Final Recovery Determination: With respect to any defaulted Mortgage Loan or any REO Property (other than a Mortgage Loan or REO Property purchased by EMC (on its own behalf as Seller and on behalf of Master Funding) pursuant to or as contemplated by Section 2.03(c) or Section 10.01), a determination made by the Master Servicer that all Insurance Proceeds, Liquidation Proceeds and other payments or recoveries which the Master Servicer, in its reasonable good faith judgment, expects to be finally recoverable in respect thereof have been so recovered. The Master Servicer shall maintain records of each Final Recovery Determination made thereby.

FIRREA: The Financial Institutions Reform, Recovery, and Enforcement Act of 1989.

Fiscal Quarter: December 1 to February 29 (or the last day in such month), March 1 to May 31, June 1 to August 31, or September 1 to November 30, as applicable.

Fitch: Fitch, Inc. and any successor thereto.

Form 8-K Disclosure Information: As defined in Section 3.16(a)(iii).

Freddie Mac: Federal Home Loan Mortgage Corporation, or any successor thereto.

Global Certificate: Any Private Certificate registered in the name of the Depository or its nominee, beneficial interests in which are reflected on the books of the Depository or on the books of a Person maintaining an account with such Depository (directly or as an indirect participant in accordance with the rules of such depository).

Gross Margin: With respect to each Adjustable Rate Mortgage Loan, the fixed percentage set forth in the related Mortgage Note that is added to the Index on each Adjustment Date in accordance with the terms of the related Mortgage Note used to determine the Mortgage Rate for such Mortgage Loan.

Group I Certificates: Any of the Class I-A-1, Class I-A-2, Class I-A-3, Class I-M-1, Class I-M-2, Class I-M-3, Class I-M-4, Class I-M-5, Class I-M-6, Class I-M-7, Class I-M-8, Class I-M-9, Class I-M-10, Class I-P, Class I-CE, Class I-R-1, Class I-R-2, Class I-R-3 and Class I-RX Certificates.

Group I Class IO Distribution Amount: As defined in Section 3.21 hereof. For purposes of clarity, the Group I Class IO Distribution Amount for any Distribution Date shall equal the amount payable to the Swap Administrator pursuant to the first and second sentences of Section 3.21(c) on such Distribution Date in excess of the amount payable on REMIC VII Regular Interest IO on such Distribution Date, all as further provided in Section 3.21 hereof.

Group I Current Specified Enhancement Percentage: With respect to any Distribution Date, the percentage obtained by dividing (x) the sum of (i) the aggregate Certificate Principal Balance of the Class I-M Certificates and (ii) the Group I Overcollateralization Amount, in each case prior to the distribution of the related Principal Distribution Amount on such Distribution Date, by (y) the aggregate Stated Principal Balance of the Group I Mortgage Loans as of the end of the related Due Period (after giving effect to scheduled payments of principal due during the related Due Period with respect to Loan Group I, to the extent received or advanced, and unscheduled collections of principal received during the related Prepayment Period, and after reduction for Realized Losses incurred during the prior calendar month with respect to Loan Group I).

Group I Delinquency Event: A Group I Delinquency Event shall have occurred and be continuing if at any time, (x) the percent equivalent of a fraction, the numerator of which is the aggregate Stated Principal Balance of the Group I Mortgage Loans that are 60 days or more Delinquent (including for this purpose any such Group I Mortgage Loans in bankruptcy or foreclosure and Group I Mortgage Loans with respect to which the related Mortgaged Property is REO Property), and the denominator of which is the aggregate Stated Principal Balance of all of the Group I Mortgage Loans as of the last day of the related Due Period (after giving effect to scheduled payments of principal due during the related Due Period with respect to Loan Group I, to the extent received or advanced, and unscheduled collections of principal received during the related Prepayment Period, and after reduction for Realized Losses incurred during the prior calendar month with respect to Loan Group I) exceeds (y) 41.35% of the Group I Current Specified Enhancement Percentage.

Group I Extra Principal Distribution Amount: With respect to any Distribution Date, the lesser of (i) the excess, if any, of the Group I Overcollateralization Target Amount for such Distribution Date over the Group I Overcollateralization Amount for such Distribution Date (after giving effect to distributions of principal on the Certificates other than any Group I Extra Principal Distribution Amount) and (ii) the related Excess Spread for such Distribution Date.

Group I Guarantor: As defined in Section 3.21(i).

Group I Guaranty: As defined in Section 3.21(i).

Group I Marker Rate: With respect to the Class I-CE Interest and any Distribution Date, a per annum rate equal to two (2) times the weighted average of the Uncertificated REMIC III Pass-Through Rates for the REMIC III Group I Regular Interests (other than REMIC III Regular Interests I-AA, I-IO and I-P), with the rate on each such REMIC III Group I Regular Interest (other than REMIC III Regular Interest I-ZZ) subject to a cap equal to the lesser of (i) the One-Month LIBOR Pass-Through Rate for the Corresponding Certificate and (ii) the Net Rate Cap for the REMIC IV Regular Interest the ownership of which is represented by the Corresponding Certificate for the purpose of this calculation for such Distribution Date, and with the rate on REMIC III Regular Interest I-ZZ subject to a cap of zero for the purpose of this calculation; provided, however, that solely for this purpose, the related cap with respect to each REMIC III Group I Regular Interest (other than REMIC III Regular Interests I-AA, I-ZZ, I-IO and I-P) shall be multiplied by a fraction, the numerator of which is 30 and the denominator of which is the actual number of days in the related Accrual Period.

Group I Maximum Probable Exposure: With respect to each Distribution Date and the Group I Swap Agreement, the amount calculated by the Depositor in accordance with the Seller's internal risk management process in respect of similar instruments, such calculation to be performed as agreed by the Trustee and the Depositor.

Group I Maximum Uncertificated Accrued Interest Deferral Amount: With respect to any Distribution Date, the excess of (i) accrued interest at the Uncertificated REMIC III Pass-Through Rate applicable to REMIC III Regular Interest I-ZZ for such Distribution Date on a balance equal to the Uncertificated Principal Balance of REMIC III Regular Interest I-ZZ minus the REMIC III Group I Overcollateralization Amount, in each case for such Distribution Date, over (ii) the aggregate amount of Uncertificated Accrued Interest for such Distribution Date on the REMIC III Group I Regular Interests (other than REMIC III Regular Interests I-AA, I-ZZ, I-IO and I-P), with the rate on each such REMIC III Group I Regular Interest subject to a cap equal to the lesser of (x) the One-Month LIBOR Pass Through Rate for the Corresponding Certificate and (y) the Net Rate Cap for the REMIC IV Regular Interest the ownership of which is represented by the Corresponding Certificate for the purpose of this calculation for such Distribution Date; provided, however, that solely for this purpose, the related cap with respect to each REMIC III Group I Regular Interest (other than REMIC III Regular Interests I-AA, I-ZZ, I-IO and I-P) shall be multiplied by a fraction, the numerator of which is 30 and the denominator of which is the actual number of days in the related Accrual Period.

Group I Mortgage Loans: The Mortgage Loans related to Loan Group I.

Group I Net Swap Payment: With respect to each Distribution Date, the net payment required to be made pursuant to the terms of the Group I Swap Agreement by either the Group I Swap Provider or the Swap Administrator, which net payment shall not take into account any Group I Swap Termination Payment.

Group I Notional Amount: With respect to each Distribution Date and the Group I Swap Agreement, the notional amount for the related calculation period as set forth in the related schedule set forth in Exhibit M.

Group I Offered Certificates: Any of the Class I-A-1, Class I-A-2, Class I-A-3, Class I-M-1, Class I-M-2, Class I-M-3, Class I-M-4, Class I-M-5, Class I-M-6, Class I-M-7, Class I-M-8 and Class I-M-9 Certificates.

Group I Optional Termination: The termination of the portion of the Trust Fund related to Loan Group I created hereunder as a result of the purchase of all of the Group I Mortgage Loans and any related REO Property pursuant to Section 10.01 hereof.

Group I Optional Termination Date: The Distribution Date on which the Stated Principal Balance of all of the Group I Mortgage Loans is equal to or less than 10% of the Stated Principal Balance of all of the Group I Mortgage Loans as of the Cut-off Date.

Group I Overcollateralization Amount: With respect to any Distribution Date, the excess, if any, of the aggregate Stated Principal Balance of the Group I Mortgage Loans as of the last day of the related Due Period (after giving effect to scheduled payments of principal due during the related Due Period, to the extent received or advanced, and unscheduled collections of principal received during the related Prepayment Period, and after reduction for Realized Losses incurred during the prior calendar month) over the aggregate Certificate Principal Balance of the Class I-A Certificates and Class I-M Certificates on such Distribution Date (after taking into account the payment of principal other than any Group I Extra Principal Distribution Amount on such Certificates).

Group I Overcollateralization Release Amount: With respect to any Distribution Date, the lesser of (x) the related Principal Funds for such Distribution Date and (y) the excess, if any, of (i) the Group I Overcollateralization Amount for such Distribution Date (assuming that 100% of the related Principal Funds is applied as a principal payment on such Distribution Date) over (ii) the Group I Overcollateralization Target Amount for such Distribution Date (with the amount pursuant to clause (y) deemed to be \$0 if the Group I Overcollateralization Amount is less than or equal to the Group I Overcollateralization Target Amount on that Distribution Date).

Group I Overcollateralization Target Amount: With respect to any Distribution Date (a) prior to the Group I Stepdown Date, 2.25% of the aggregate Stated Principal Balance of the Group I Mortgage Loans as of the Cut-off Date, (b) on or after the Group I Stepdown Date and if a Group I Trigger Event is not in effect, the greater of (i) the lesser of (1) 2.25% of the aggregate Stated Principal Balance of the Group I Mortgage Loans as of the Cut-off Date and (2) 4.50% of the aggregate Stated Principal Balance of the Group I Mortgage Loans as of the last day of the related Due Period (after giving effect to scheduled payments of principal due during the related Due Period, to the extent received or advanced, and unscheduled collections of principal received during the related Prepayment Period, and after reduction for Realized Losses incurred during the prior calendar month) and (ii) \$543,260 or (c) on or after the Group I Stepdown Date and if a Group I Trigger Event is in effect, the Group I Overcollateralization Target Amount for the immediately preceding Distribution Date.

Group I Regular Certificate: Any of the Group I Certificates other than the Group I Residual Certificates.

Group I Reserve Fund: Shall mean the separate trust account created and maintained by the Trustee pursuant to Section 3.21 hereof.

Group I Reserve Fund Deposit: With respect to the Group I Reserve Fund, an amount equal to \$5,000, which the Depositor shall initially deposit into the Group I Reserve Fund pursuant to Section 3.21 hereof.

Group I Residual Certificates: The Class I-R Certificates, each evidencing the sole class of Residual Interests in the related REMIC.

EX-4.1 3 d640669_ex4-1.htm POOLING AND SERVICING AGREEMENT

BEAR STEARNS ASSET BACKED SECURITIES I LLC

Depositor,

EMC MORTGAGE CORPORATION

Seller and Master Servicer

and

LASALLE BANK NATIONAL ASSOCIATION

Trustee

POOLING AND SERVICING AGREEMENT

Dated as of February 1, 2007

BEAR STEARNS ASSET BACKED SECURITIES I TRUST 2007-HE2

ASSET-BACKED CERTIFICATES, SERIES 2007-HE2

Deficient Valuation: With respect to any Mortgage Loan, a valuation by a court of competent jurisdiction of the Mortgaged Property in an amount less than the then outstanding indebtedness under such Mortgage Loan, or any reduction in the amount of principal to be paid in connection with any Scheduled Payment that results in a permanent forgiveness of principal, which valuation or reduction results from an order of such court that is final and non-appealable in a proceeding under the Bankruptcy Code.

Definitive Certificates: As defined in Section 6.06.

Deleted Mortgage Loan: A Mortgage Loan replaced or to be replaced by a Replacement Mortgage Loan.

Delinquency Event: Any of a Group I Delinquency Event or Group II Delinquency Event.

Delinquent: A Mortgage Loan is "delinquent" if any payment due thereon is not made pursuant to the terms of such Mortgage Loan by the close of business on the day such payment is scheduled to be due. A Mortgage Loan is "30 days delinquent" if such payment has not been received by the close of business on the corresponding day of the month immediately succeeding the month in which such payment was due, or, if there is no such corresponding day (e.g., as when a 30-day month follows a 31-day month in which a payment was due on the 31st day of such month), then on the last day of such immediately succeeding month. Similarly for "60 days delinquent," "90 days delinquent" and so on. This calculation of delinquency is referred to as the OTS methodology.

Denomination: With respect to each Certificate, the amount set forth on the face thereof as the "Initial Principal Balance or Initial Notional Amount of this Certificate".

Depositor: Bear Stearns Asset Backed Securities I LLC, a Delaware limited liability company, or its successor in interest.

Depository: The initial Depository shall be The Depository Trust Company ("DTC"), the nominee of which is Cede & Co., or any other organization registered as a "clearing agency" pursuant to Section 17A of the Securities Exchange Act of 1934, as amended. The Depository shall initially be the registered Holder of the Book-Entry Certificates. The Depository shall at all times be a "clearing corporation" as defined in Section 8-102(a)(5) of the Uniform Commercial Code of the State of New York.

Depository Agreement: With respect to the Class of Book-Entry Certificates, the agreement among the Depositor, the Trustee and the initial Depository, dated as of the Closing Date, substantially in the form of Exhibit H.

Depository Participant: A broker, dealer, bank or other financial institution or other Person for whom from time to time a Depository effects book-entry transfers and pledges of securities deposited with the Depository.

Determination Date: With respect to any Distribution Date, the 15th day of the month of such Distribution Date or, if such 15th day is not a Business Day, the immediately preceding Business Day.

Distribution Account: The separate Eligible Account created and maintained by the Trustee pursuant to Section 4.04 in the name of the Trustee for the benefit of the Certificateholders designated "LaSalle Bank National Association, in trust for registered holders of Bear Stearns Asset Backed Securities I LLC, Asset-Backed Certificates, Series 2007-HE2". Funds in the Distribution Account shall be held in trust for the Certificateholders for the uses and purposes set forth in this Agreement.

Distribution Account Deposit Date: Two Business Days prior to each Distribution Date.

Distribution Date: The 25th day of each calendar month after the initial issuance of the Certificates, or if such 25th day is not a Business Day, the next succeeding Business Day, commencing in March 2007.

Due Date: As to any Mortgage Loan, the date in each month on which the related Scheduled Payment is due, as set forth in the related Mortgage Note.

Due Period: With respect to any Distribution Date, the period from the second day of the calendar month preceding the calendar month in which such Distribution Date occurs through close of business on the first day of the calendar month in which such Distribution Date occurs.

Eligible Account: Any of (i) an account or accounts maintained with a federal or state chartered depository institution or trust company, the long-term unsecured debt obligations and short-term unsecured debt obligations of which (or, in the case of a depository institution or trust company that is the principal subsidiary of a holding company, the debt obligations of such holding company, so long as Moody's is not a Rating Agency) are rated by each Rating Agency in one of its two highest long-term and its highest short-term rating categories, respectively, at the time any amounts are held on deposit therein, or (ii) an account or accounts in a depository institution or trust company in which such accounts are insured by the FDIC (to the limits established by the FDIC) and the uninsured deposits in which accounts are otherwise secured such that, as evidenced by an Opinion of Counsel delivered to the Trustee and to each Rating Agency, the Certificateholders have a claim with respect to the funds in such account or a perfected first priority security interest against any collateral (which shall be limited to Permitted Investments) securing such funds that is superior to claims of any other depositors or creditors of the depository institution or trust company in which such account is maintained, or (iii) a trust account or accounts maintained with the corporate trust department of a federal or state chartered depository institution or trust company having capital and surplus of not less than \$50,000,000, acting in its fiduciary capacity or (iv) any other account acceptable to the Rating Agencies, as evidenced in writing. Eligible Accounts may bear interest, and may include, if otherwise qualified under this definition, accounts maintained with the Trustee.

EMC: EMC Mortgage Corporation, a Delaware corporation, and its successors and assigns.

EMC Flow Loans: The Mortgage Loans purchased by EMC pursuant to a flow loan purchase agreement.

EMC Mortgage Loans: The Mortgage Loans identified as such on the Mortgage Loan Schedule for which EMC is the applicable seller.

ERISA: The Employee Retirement Income Security Act of 1974, as amended.

ERISA Restricted Certificates: Any of the Class CE, Class P and Residual Certificates.

Event of Default: As defined in Section 8.01 hereof.

Excess Cashflow: With respect to any Distribution Date and any Loan Group, an amount, if any, equal to the sum of (a) the related Remaining Excess Spread for such Distribution Date and (b) the related Overcollateralization Release Amount for such Distribution Date.

Excess Liquidation Proceeds: To the extent not required by law to be paid to the related Mortgagor, the excess, if any, of any Liquidation Proceeds with respect to a Mortgage Loan over the Stated Principal Balance of such Mortgage Loan and accrued and unpaid interest at the related Mortgage Rate through the last day of the month in which the Mortgage Loan has been liquidated.

Excess Spread: With respect to any Distribution Date and any Loan Group, the excess, if any, of (i) the Interest Funds with respect to the related Loan Group for such Distribution Date, over (ii) the sum of the Current Interest on the related Class A Certificates and Class M Certificates and Interest Carry Forward Amounts on the related Class A Certificates (other than Interest Carry Forward Amounts paid pursuant to Section 5.04(a)(3)(A) with respect to Loan Group I and 5.04(b)(4)(A) with respect to Loan Group II), in each case for such Distribution Date.

Exchange Act: Securities Exchange Act of 1934, as amended.

Exemption: Prohibited Transaction Exemption 90-30, as amended from time to time.

Extra Principal Distribution Amount: Any of the Group I Extra Principal Distribution Amount or Group II Extra Principal Distribution Amount.

Fannie Mae: Fannie Mae (formerly, Federal National Mortgage Association), or any successor thereto.

1/17/2018
NYSCEF DOC. NO. 695

Unassociated Document

RECEIVED NYSCEF: 09/28/2018

March 2011 through February 2012

5.80% with respect to March 2011, plus an additional 1/12th of the difference between 7.50% and 5.80% for each month thereafter

March 2012 through February 2013

7.50% with respect to March 2012, plus an additional 1/12th of the difference between 8.45% and 7.50% for each month thereafter

March 2013 and thereafter

8.45%

Group II Certificates: Any of the Class II-1A-1, Class II-1A-2, Class II-1A-3, Class II-1A-4, Class II-2A, Class II-3A, Class II-M-1, Class II-M-2, Class II-M-3, Class II-M-4, Class II-M-5, Class II-M-6, Class II-M-7, Class II-M-8, Class II-M-9, Class II-M-10, Class II-P, Class II-CE, Class II-R-1 and Class II-RX Certificates.

Group II Class IO Distribution Amount: As defined in Section 3.22 hereof. For purposes of clarity, the Group II Class IO Distribution Amount for any Distribution Date shall equal the amount payable to the Swap Administrator pursuant to the first and second sentences of Section 3.22(c) on such Distribution Date in excess of the amount payable on REMIC X Regular Interest IO on such Distribution Date, all as further provided in Section 3.22 hereof.

Group II Current Specified Enhancement Percentage: With respect to any Distribution Date, the percentage obtained by dividing (x) the sum of (i) the aggregate Certificate Principal Balance of the Class II-M Certificates and (ii) the Group II Overcollateralization Amount, in each case prior to the distribution of the related Principal Distribution Amount on such Distribution Date, by (y) the aggregate Stated Principal Balance of the Group II Mortgage Loans as of the end of the related Due Period (after giving effect to scheduled payments of principal due during the related Due Period, to the extent received or advanced, and unscheduled collections of principal received during the related Prepayment Period, and after reduction for Realized Losses incurred during the prior calendar month).

Group II Delinquency Event: A Group II Delinquency Event shall have occurred and be continuing if at any time, (x) the percent equivalent of a fraction, the numerator of which is the aggregate Stated Principal Balance of the Group II Mortgage Loans that are 60 days or more Delinquent (including for this purpose any such Group II Mortgage Loans in bankruptcy or foreclosure and Group II Mortgage Loans with respect to which the related Mortgage Property is REO Property), and the denominator of which is the aggregate Stated Principal Balance of all of the Group II Mortgage Loans as of the last day of the related Due Period (after giving effect to scheduled payments of principal due during the related Due Period, to the extent received or advanced, and unscheduled collections of principal received during the related Prepayment Period, and after reduction for Realized Losses incurred during the prior calendar month) exceeds (y) 29.00% of the Group II Current Specified Enhancement Percentage.

Group II Extra Principal Distribution Amount: With respect to any Distribution Date, the lesser of (i) the excess, if any, of the Group II Overcollateralization Target Amount for such Distribution Date, over the Group II Overcollateralization Amount for such Distribution Date (after giving effect to distributions of principal on the Certificates other than any Group II Extra Principal Distribution Amount) and (ii) the related Excess Spread for such Distribution Date.

Group II Guarantor: As defined in Section 3.22(i).

Group II Guaranty: As defined in Section 3.22(i).

Group II Marker Rate: With respect to the Class II-CE Interest and any Distribution Date, a per annum rate equal to two (2) times the weighted average of the Uncertificated REMIC III Pass-Through Rates for the REMIC III Group II Regular Interests (other than REMIC III Regular Interests II-AA, II-IO, II-P, II-1-Sub, II-1-Grp, II-2-Sub, II-2-Grp, II-3-Sub, II-3-Grp and II-XX), with the rate on each such REMIC III Group II Regular Interest (other than REMIC III Regular Interest II-ZZ) subject to a cap equal to the lesser of (i) the One-Month LIBOR Pass-Through Rate for the Corresponding Certificate and (ii) the Net Rate Cap for the REMIC IV Regular Interest the ownership of which is represented by the Corresponding Certificate for the purpose of this calculation for such Distribution Date, and with the rate on REMIC III Regular Interest II-ZZ subject to a cap of zero for the purpose of this calculation; provided, however, that solely for this purpose, the related cap with respect to each REMIC III Group II Regular Interest (other than REMIC III Regular Interests II-AA, II-ZZ, II-IO, II-P, II-1-Sub, II-1-Grp, II-2-Sub, II-2-Grp, II-3-Sub, II-3-Grp and II-XX) shall be multiplied by a fraction, the numerator of which is 30 and the denominator of which is the actual number of days in the related Accrual Period.

Group II Maximum Probable Exposure: With respect to each Distribution Date and the Group II Swap Agreement, the amount calculated by the Depositor in accordance with the Seller's internal risk management process in respect of similar instruments, such calculation to be performed as agreed by the Trustee and the Depositor.

Group II Maximum Uncertificated Accrued Interest Deferral Amount: With respect to any Distribution Date, the excess of (i) accrued interest at the Uncertificated REMIC III Pass-Through Rate applicable to REMIC III Regular Interest II-ZZ for such Distribution Date on a balance equal to the Uncertificated Principal Balance of REMIC III Regular Interest II-ZZ minus the REMIC III Group II Overcollateralization Amount, in each case for such Distribution Date, over (ii) the aggregate amount of Uncertificated Accrued Interest for such Distribution Date on the REMIC III Group II Regular Interests (other than REMIC III Regular Interests II-AA, II-ZZ, II-IO, II-P, II-1-Sub, II-1-Grp, II-2-Sub, II-2-Grp, II-3-Sub, II-3-Grp and II-XX), with the rate on each such REMIC III Group II Regular Interest subject to a cap equal to the lesser of (x) the One-Month LIBOR Pass Through Rate for the Corresponding Certificate and (y) the Net Rate Cap for the REMIC IV Regular Interest the ownership of which is represented by the Corresponding Certificate for the purpose of this calculation for such Distribution Date; provided, however, that solely for this purpose, the related cap with respect to each REMIC III Group II Regular Interest (other than REMIC III Regular Interests II-AA, II-ZZ, II-IO, II-P, II-1-Sub, II-1-Grp, II-2-Sub, II-2-Grp, II-3-Sub, II-3-Grp and II-XX) shall be multiplied by a fraction, the numerator of which is 30 and the denominator of which is the actual number of days in the related Accrual Period.

Group II Mortgage Loans: The Mortgage Loans related to Loan Group II.

Group II Net Swap Payment: With respect to each Distribution Date, the net payment required to be made pursuant to the terms of the Group II Swap Agreement by either the Group II Swap Provider or the Swap Administrator, which net payment shall not take into account any Group II Swap Termination Payment.

Group II Notional Amount: With respect to each Distribution Date and the Group II Swap Agreement, the notional amount for the related calculation period as set forth in the related schedule set forth in Exhibit N.

Group II Offered Certificates: Any of the Class II-1A-1, Class II-1A-2, Class II-1A-3, Class II-1A-4, Class II-2A, Class II-3A, Class II-M-1, Class II-M-2, Class II-M-3, Class II-M-4, Class II-M-5, Class II-M-6, Class II-M-7, Class II-M-8 and Class II-M-9 Certificates.

Group II Optional Termination: The termination of the portion of the Trust Fund related to Loan Group II created hereunder as a result of the purchase of all of the Group II Mortgage Loans and any related REO Property pursuant to Section 10.01 hereof.

Group II Optional Termination Date: The Distribution Date on which the Stated Principal Balance of all of the Group II Mortgage Loans is equal to or less than 10% of the Stated Principal Balance of all of the Group II Mortgage Loans as of the Cut-off Date.

Group II Overcollateralization Amount: With respect to any Distribution Date, the excess, if any, of the aggregate Stated Principal Balance of the Group II Mortgage Loans as of the last day of the related Due Period (after giving effect to scheduled payments of principal due during the related Due Period, to the extent received or advanced, and unscheduled collections of principal received during the related Prepayment Period, and after reduction for Realized Losses incurred during the prior calendar month), over the aggregate Certificate Principal Balance of the Class II-A Certificates and Class II-M Certificates on such Distribution Date (after taking into account the payment of principal other than any Group II Extra Principal Distribution Amount on such Certificates).

Group II Overcollateralization Release Amount: With respect to any Distribution Date, the lesser of (x) the related Principal Funds for such Distribution Date and (y) the excess, if any, of (i) the Group II Overcollateralization Amount for such Distribution Date (assuming that 100% of the related Principal Funds is applied as a principal payment on such Distribution Date), over (ii) the Group II Overcollateralization Target Amount for such Distribution Date (with the amount pursuant to clause (y) deemed to be \$0 if the Group II Overcollateralization Amount is less than or equal to the Group II Overcollateralization Target Amount on that Distribution Date).

Group II Overcollateralization Target Amount: With respect to any Distribution Date (a) prior to the Group II Stepdown Date, 3.95% of the aggregate Stated Principal Balance of the Group II Mortgage Loans as of the Cut-off Date, (b) on or after the Group II Stepdown Date and if a Group II Trigger Event is not in effect, the greater of (i) the lesser of (1) 3.95% of the aggregate Stated Principal Balance of the Group II Mortgage Loans as of the Cut-off Date and (2) 7.90% of the aggregate Stated Principal Balance of the Group II Mortgage Loans as of the last day of the related Due Period (after giving effect to scheduled payments of principal due during the related Due Period, to the extent received or advanced, and unscheduled collections of principal received during the related Prepayment Period, and after reduction for Realized Losses incurred during the prior calendar month) and (ii) \$2,982,660 or (c) on or after the Group II Stepdown Date and if a Group II Trigger Event is in effect, the Group II Overcollateralization Target Amount for the immediately preceding Distribution Date.

EX-4.1 3 d650522ex4_1.htm POOLING AND SERVICING AGREEMENT
BEAR STEARNS ASSET BACKED SECURITIES I LLC

Depositor,

EMC MORTGAGE CORPORATION

Seller and Master Servicer

and

LASALLE BANK NATIONAL ASSOCIATION

Trustee

POOLING AND SERVICING AGREEMENT

Dated as of March 1, 2007

BEAR STEARNS ASSET BACKED SECURITIES I TRUST 2007-HE3

ASSET-BACKED CERTIFICATES, SERIES 2007-HE3

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Distribution Account Deposit Date: Two Business Days prior to each Distribution Date.

Distribution Date: The 25th day of each calendar month after the initial issuance of the Certificates, or if such 25th day is not a Business Day, the next succeeding Business Day, commencing in April 2007.

Due Date: As to any Mortgage Loan, the date in each month on which the related Scheduled Payment is due, as set forth in the related Mortgage Note.

Due Period: With respect to any Distribution Date, the period from the second day of the calendar month preceding the calendar month in which such Distribution Date occurs through close of business on the first day of the calendar month in which such Distribution Date occurs.

Eligible Account: Any of (i) an account or accounts maintained with a federal or state chartered depository institution or trust company, the long-term unsecured debt obligations and short-term unsecured debt obligations of which (or, in the case of a depository institution or trust company that is the principal subsidiary of a holding company, the debt obligations of such holding company, so long as Moody's is not a Rating Agency) are rated by each Rating Agency in one of its two highest long-term and its highest short-term rating categories, respectively, at the time any amounts are held on deposit therein, or (ii) an account or accounts in a depository institution or trust company in which such accounts are insured by the FDIC (to the limits established by the FDIC) and the uninsured deposits in which accounts are otherwise secured such that, as evidenced by an Opinion of Counsel delivered to the Trustee and to each Rating Agency, the Certificateholders have a claim with respect to the funds in such account or a perfected first priority security interest against any collateral (which shall be limited to Permitted Investments) securing such funds that is superior to claims of any other depositors or creditors of the depository institution or trust company in which such account is maintained, or (iii) a trust account or accounts maintained with the corporate trust department of a federal or state chartered depository institution or trust company having capital and surplus of not less than \$50,000,000, acting in its fiduciary capacity or (iv) any other account acceptable to the Rating Agencies, as evidenced in writing. Eligible Accounts may bear interest, and may include, if otherwise qualified under this definition, accounts maintained with the Trustee.

EMC: EMC Mortgage Corporation, a Delaware corporation, and its successors and assigns.

EMC Flow Loans: The Mortgage Loans purchased by EMC pursuant to a flow loan purchase agreement.

EMC Mortgage Loans: The Mortgage Loans identified as such on the Mortgage Loan Schedule for which EMC is the applicable Seller.

ERISA: The Employee Retirement Income Security Act of 1974, as amended.

ERISA Restricted Certificates: Any of the Class CE, Class P and Residual Certificates.

Event of Default: As defined in Section 8.01 hereof.

Excess Cashflow: With respect to any Distribution Date, an amount, if any, equal to the sum of (a) the Remaining Excess Spread for such Distribution Date and (b) the Overcollateralization Release Amount for such Distribution Date.

Excess Liquidation Proceeds: To the extent not required by law to be paid to the related Mortgagor, the excess, if any, of any Liquidation Proceeds with respect to a Mortgage Loan over the Stated Principal Balance of such Mortgage Loan and accrued and unpaid interest at the related Mortgage Rate through the last day of the month in which the Mortgage Loan has been liquidated.

Excess Spread: With respect to any Distribution Date, the excess, if any, of (i) the Interest Funds for such Distribution Date, over (ii) the sum of the Current Interest on the Class A Certificates and Class M Certificates and Interest Carry Forward Amounts on the Class A Certificates (other than Interest Carry Forward Amounts paid pursuant to Section 5.04(a)(4)(A)), in each case for such Distribution Date.

Exchange Act: Securities Exchange Act of 1934, as amended.

Exemption: Prohibited Transaction Exemption 90-30, as amended from time to time.

Extra Principal Distribution Amount: With respect to any Distribution Date, the lesser of (i) the excess, if any, of the Overcollateralization Target Amount for such Distribution Date, over the Overcollateralization Amount for such Distribution Date (after giving effect to distributions of principal on the Certificates other than any Extra Principal Distribution Amount) and (ii) the Excess Spread for such Distribution Date.

Fannie Mae: Fannie Mae (formerly, Federal National Mortgage Association), or any successor thereto.

FDIC: The Federal Deposit Insurance Corporation, or any successor thereto.

Final Certification: The certification substantially in the form of Exhibit Three to the Custodial Agreement.

Final Recovery Determination: With respect to any defaulted Mortgage Loan or any REO Property (other than a Mortgage Loan or REO Property purchased by EMC (on its own behalf as a Seller and on behalf of Master Funding) pursuant to or as contemplated by Section 2.03(c) or Section 10.01), a determination made by the Master Servicer that all Insurance Proceeds, Liquidation Proceeds and other payments or recoveries which the Master Servicer, in its reasonable good faith judgment, expects to be finally recoverable in respect thereof have been so recovered. The Master Servicer shall maintain records of each Final Recovery Determination made thereby.

FIRREA: The Financial Institutions Reform, Recovery, and Enforcement Act of 1989.

EX-4.1 3 d675947ex4-1.htm PSA

BEAR STEARNS ASSET BACKED SECURITIES I LLC

Depositor,

EMC MORTGAGE CORPORATION

Seller and Master Servicer

and

LASALLE BANK NATIONAL ASSOCIATION

Trustee

POOLING AND SERVICING AGREEMENT

Dated as of May 1, 2007

BEAR STEARNS ASSET BACKED SECURITIES I TRUST 2007-HE5

ASSET-BACKED CERTIFICATES, SERIES 2007-HE5

1/17/2018
Excess Cashflow: With respect to any Distribution Date, an amount, if any, equal to the sum of (a) the Remaining Excess Spread for such Distribution Date and (b) the Overcollateralization Release Amount for such Distribution Date.

Excess Liquidation Proceeds: To the extent not required by law to be paid to the related Mortgagor, the excess, if any, of any Liquidation Proceeds with respect to a Mortgage Loan over the Stated Principal Balance of such Mortgage Loan and accrued and unpaid interest at the related Mortgage Rate through the last day of the month in which the Mortgage Loan has been liquidated.

Excess Spread: With respect to any Distribution Date, the excess, if any, of (i) the Interest Funds for such Distribution Date, over (ii) the sum of the Current Interest on the Class A Certificates and Class M Certificates and Interest Carry Forward Amounts on the Class A Certificates (other than Interest Carry Forward Amounts paid pursuant to Section 5.04(a)(4)(A)), in each case for such Distribution Date.

Exchange Act: Securities Exchange Act of 1934, as amended.

Exemption: Prohibited Transaction Exemption 90-30, as amended from time to time.

Extra Principal Distribution Amount: With respect to any Distribution Date, the lesser of (i) the excess, if any, of the Overcollateralization Target Amount for such Distribution Date, over the Overcollateralization Amount for such Distribution Date (after giving effect to distributions of principal on the Certificates other than any Extra Principal Distribution Amount) and (ii) the Excess Spread for such Distribution Date.

Fannie Mae: Fannie Mae (formerly, Federal National Mortgage Association), or any successor thereto.

FDIC: The Federal Deposit Insurance Corporation, or any successor thereto.

Final Certification: The certification substantially in the form of Exhibit Three to the Custodial Agreement.

Final Recovery Determination: With respect to any defaulted Mortgage Loan or any REO Property (other than a Mortgage Loan or REO Property purchased by EMC (on its own behalf as a Seller and on behalf of Master Funding) pursuant to or as contemplated by Section 2.03(c) or Section 10.01), a determination made by the Master Servicer that all Insurance Proceeds, Liquidation Proceeds and other payments or recoveries which the Master Servicer, in its reasonable good faith judgment, expects to be finally recoverable in respect thereof have been so recovered. The Master Servicer shall maintain records of each Final Recovery Determination made thereby.

FIRREA: The Financial Institutions Reform, Recovery, and Enforcement Act of 1989.

Fiscal Quarter: December 1 to February 29 (or the last day in such month), March 1 to May 31, June 1 to August 31, or September 1 to November 30, as applicable.

Fitch: Fitch, Inc. and any successor thereto.

Form 8-K Disclosure Information: As defined in Section 3.16(a)(iii).

Freddie Mac: Federal Home Loan Mortgage Corporation, or any successor thereto.

Global Certificate: Any Private Certificate registered in the name of the Depository or its nominee, beneficial interests in which are reflected on the books of the Depository or on the books of a Person maintaining an account with such Depository (directly or as an indirect participant in accordance with the rules of such depository).

Gross Margin: With respect to each Adjustable Rate Mortgage Loan, the fixed percentage set forth in the related Mortgage Note that is added to the Index on each Adjustment Date in accordance with the terms of the related Mortgage Note used to determine the Mortgage Rate for such Mortgage Loan.

Group I Loans: The Mortgage Loans identified as such on the Mortgage Loan Schedule.

Group I Principal Distribution Amount: With respect to any Distribution Date, the product of the Principal Distribution Amount for such Distribution Date and a fraction, the numerator of which is the Principal Funds for Loan Group I for such Distribution Date and the denominator of which is the Principal Funds for all Loan Groups for such Distribution Date.

Group II Loans: The Mortgage Loans identified as such on the Mortgage Loan Schedule.

Group II Principal Distribution Amount: With respect to any Distribution Date, the product of the Principal Distribution Amount for such Distribution Date and a fraction, the numerator of which is the Principal Funds for Loan Group II for such Distribution Date and the denominator of which is the Principal Funds for all Loan Groups for such Distribution Date.

Group III Loans: The Mortgage Loans identified as such on the Mortgage Loan Schedule.

Group III Principal Distribution Amount: With respect to any Distribution Date, the product of the Principal Distribution Amount for such Distribution Date and a fraction, the numerator of which is the Principal Funds for Loan Group III for such Distribution Date and the denominator of which is the Principal Funds for all Loan Groups for such Distribution Date.

Guarantor: As defined in Section 3.21(i).

Guarantee: As defined in Section 3.21(i).

Indemnified Persons: The Trustee, the Master Servicer, the Trust Fund and their officers, directors, agents and employees and, with respect to the Trustee, any separate co-trustee and its officers, directors, agents and employees.

Index: With respect to each Adjustable Rate Mortgage Loan and with respect to each related Adjustment Date, the index as specified in the related Mortgage Note.

Individual Certificate: Any Private Certificate registered in the name of the Holder other than the Depository or its nominee.

Initial Certification: The certification substantially in the form of Exhibit One to the Custodial Agreement.

Initial Certificate Principal Balance: With respect to any Certificate, the Certificate Principal Balance of such Certificate or any predecessor Certificate on the Closing Date.

Institutional Accredited Investor: Any Person meeting the requirements of Rule 501(a)(1), (2), (3) or (7) of Regulation D under the Securities Act or any entity all of the equity Holders in which come within such paragraphs.

Insurance Policy: With respect to any Mortgage Loan included in the Trust Fund, any insurance policy, including all riders and endorsements thereto in effect with respect to such Mortgage Loan, including any replacement policy or policies for any Insurance Policies.

Insurance Proceeds: Proceeds paid in respect of the Mortgage Loans pursuant to any Insurance Policy and any other insurance policy covering a Mortgage Loan, to the extent such proceeds are payable to the mortgagee under the Mortgage, the Master Servicer or the trustee under the deed of trust and are not applied to the restoration of the related Mortgaged Property or released to the Mortgagor in accordance with the procedures that the Master Servicer would follow in servicing mortgage loans held for its own account, in each case other than any amount included in such Insurance Proceeds in respect of Insured Expenses.

Insured Expenses: Expenses covered by any insurance policy with respect to the Mortgage Loans.