

EXHIBIT G

EX-4.1 2 d382318_ex4a.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 September 1, 2005

BEAR STEARNS ASSET BACKED SECURITIES I TRUST 2005-HE9

ASSET-BACKED CERTIFICATES, SERIES 2005-HE9

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

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

Original Value: The value of the property underlying a Mortgage Loan based, in the case of the purchase of the underlying Mortgaged Property, on the lower of an appraisal or the sales price of such property or, in the case of a refinancing, on an appraisal.

OTS: The Office of Thrift Supervision.

Outstanding: With respect to the Certificates as of any date of determination, all Certificates theretofore executed and authenticated under this Agreement except:

(a) Certificates theretofore canceled by the Trustee or delivered to the Trustee for cancellation; and

(b) Certificates in exchange for which or in lieu of which other Certificates have been executed and delivered by the Trustee pursuant to this Agreement.

Outstanding Mortgage Loan: As of any date of determination, a Mortgage Loan with a Stated Principal Balance greater than zero that was not the subject of a Principal Prepayment in full, and that did not become a Liquidated Loan, prior to the end of the related Prepayment Period.

Overcollateralization Amount: With respect to any Distribution Date, the excess, if any, of the aggregate Stated Principal Balance of the 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 related Due Period) over the aggregate Certificate Principal Balances of the Certificates (other than the Class CE and Class P Certificates) on such Distribution Date (after taking into account the payment of principal other than any Extra Principal Distribution Amount on such Certificates).

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

Overcollateralization Target Amount: With respect to any Distribution Date (a) prior to the Stepdown Date, 1.90% of the aggregate Stated Principal Balance of the Mortgage Loans as

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the Distribution Account, as a reduction of the Servicing Fee for such Distribution Date, no later than the close of business on the Business Day immediately preceding such Distribution Date, an amount equal to the Prepayment Interest Shortfall; and in case of such deposit, the Master Servicer shall not be entitled to any recovery or reimbursement from the Depositor, the Trustee, the Sellers, the Trust Fund or the Certificateholders.

Section 5.03 REMIC Distributions.

On each Distribution Date the Trustee shall be deemed to have allocated distributions to the REMIC I Regular Interests, REMIC II Regular Interests, Class CE Interest, Class P Interest and Class IO Interest in accordance with Section 5.07 hereof.

Section 5.04 Distributions.

(a) On each Distribution Date, an amount equal to the Interest Funds and Principal Funds for each Loan Group for such Distribution Date shall be withdrawn by the Trustee from the Distribution Account and, in the case of Loan Group I and Loan Group II, the Pre-Funding Account to the extent of funds on deposit therein and distributed in the following order of priority:

(1) Interest Funds shall be distributed in the following manner and order of priority:

(A) From Interest Funds in respect of:

- (i) Loan Group I, to the Class I-A-1, Class I-A-2 and Class I-A-3 Certificates, the Current Interest and any Interest Carry Forward Amount for each such Class, on a *pro rata* basis based on the entitlement of each such Class; and
- (ii) Loan Group II, after payment of the premium due to the Certificate Insurer in connection with the Class II-A-2 Policy, first, to the Class II-A-1 Certificates and Class II-A-2 Certificates, the Current Interest and any Interest Carry Forward Amount for each such Class, on a *pro rata* basis based on the entitlement of each such Class, and second, to the Certificate Insurer, with respect to any Reimbursement Amount related to interest draws on the Class II-A-2 Policy;

(B) From remaining Interest Funds in respect of the non-related Loan Group, to the Class I-A Certificates and Class II-A Certificates, the remaining Current Interest, if any, and the remaining Interest Carry Forward Amount, if any, for such Classes, *pro rata* based on the entitlement of each such Class; provided, however, any such remaining Interest Funds that would otherwise be distributed to the Class II-A-2 Certificates to pay the remaining Current Interest and Interest Carry Forward Amount for and Distribution Date will be used to pay the

Certificate Insurer the Reimbursement Amount related to interest draws on the Class II-A-2 Policy, if any, prior to paying such Interest Carry Forward Amount to the Class II-A-2 Certificates

(C) From remaining Interest Funds in respect of both Loan Groups, to the Class M-1 Certificates, the Current Interest and then any Interest Carry Forward Amount for such Class; and

(D) From remaining Interest Funds in respect of both Loan Groups, sequentially to the Class M-2, Class M-3, Class M-4, Class M-5, Class M-6, Class M-7 and Class M-8 Certificates, in that order, the Current Interest for such Class.

Any Excess Spread to the extent necessary to meet a level of overcollateralization equal to the Overcollateralization Target Amount will be the Extra Principal Distribution Amount and will be included as part of the Principal Distribution Amount; provided, however, any such Excess Spread that would otherwise be distributed to the Class II-A-2 Certificates to pay the Extra Principal Distribution Amount for any Distribution Date will be used to pay the Certificate Insurer any Reimbursement Amount related to interest or principal draws on the Class II-A-2 Policy, if any, prior to paying such Extra Principal Distribution Amount to the Class II-A-2 Certificates. Any Remaining Excess Spread together with any Overcollateralization Release Amount will be applied as Excess Cashflow and distributed pursuant to clauses (4)(A) through (H) below.

On any Distribution Date, any Relief Act Interest Shortfalls and any Prepayment Interest Shortfalls to the extent not covered by Compensating Interest will be allocated as set forth in the definition of "Current Interest" herein.

(2) Principal Funds, including any Extra Principal Distribution Amount, shall be distributed in the following manner and order of priority:

(A) For each Distribution Date (i) prior to the Stepdown Date or (ii) on which a Trigger Event is in effect:

(i) To the Class A Certificates, the Principal Distribution Amount for such Distribution Date to be distributed as follows:

(1) from the Group I Principal Distribution Amount for such Distribution Date, sequentially, to the Class I-A-1, Class I-A-2 and Class I-A-3 Certificates, in that order, in each case until the Certificate Principal Balance thereof is reduced to zero; and

(2) from the Group II Principal Distribution Amount for such Distribution Date, to the Class II-A-1 Certificates and Class II-A-2 Certificates, concurrently on a pro rata basis, until the Certificate Principal Balances thereof are reduced to zero; provided, however, if a Group II Sequential Trigger Event is in

effect, the Group II Principal Distribution Amount for such Distribution Date shall be distributed sequentially to the Class II-A-1 Certificates and Class II-A-2 Certificates, in that order, in each case until the Certificate Principal Balance thereof is reduced to zero;

- (ii) To the Class M-1 Certificates, from any remaining Principal Funds in respect of both Loan Groups for such Distribution Date, the remaining Principal Distribution Amount, until the Certificate Principal Balance thereof is reduced to zero;
 - (iii) To the Class M-2 Certificates, from any remaining Principal Funds in respect of both Loan Groups for such Distribution Date, the remaining Principal Distribution Amount, until the Certificate Principal Balance thereof is reduced to zero;
 - (iv) To the Class M-3 Certificates, from any remaining Principal Funds in respect of both Loan Groups for such Distribution Date, the remaining Principal Distribution Amount, until the Certificate Principal Balance thereof is reduced to zero;
 - (v) To the Class M-4 Certificates, from any remaining Principal Funds in respect of both Loan Groups for such Distribution Date, the remaining Principal Distribution Amount, until the Certificate Principal Balance thereof is reduced to zero;
 - (vi) To the Class M-5 Certificates, from any remaining Principal Funds in respect of both Loan Groups for such Distribution Date, the remaining Principal Distribution Amount, until the Certificate Principal Balance thereof is reduced to zero;
 - (vii) To the Class M-6 Certificates, from any remaining Principal Funds in respect of both Loan Groups for such Distribution Date, the remaining Principal Distribution Amount, until the Certificate Principal Balance thereof is reduced to zero;
 - (viii) To the Class M-7 Certificates, from any remaining Principal Funds in respect of both Loan Groups for such Distribution Date, the remaining Principal Distribution Amount, until the Certificate Principal Balance thereof is reduced to zero; and
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- (ix) To the Class M-8 Certificates, from any remaining Principal Funds in respect of both Loan Groups for such Distribution Date, the remaining Principal Distribution Amount, until the Certificate Principal Balance thereof is reduced to zero.

(B) For each Distribution Date on or after the Stepdown Date, so long as a Trigger Event is not in effect:

- (i) To the Class A Certificates, the Principal Distribution Amount for such Distribution Date to be distributed as follows:

- (1) from the Group I Principal Distribution Amount for such Distribution Date, sequentially, to the Class I-A-1, Class I-A-2 and Class I-A-3 Certificates, in that order, the Class I-A Principal Distribution Amount for such Distribution Date, in each case until the Certificate Principal Balance thereof is reduced to zero; and

- (2) from the Group II Principal Distribution Amount for such Distribution Date, to the Class II-A-1 Certificates and Class II-A-2 Certificates, concurrently on a pro rata basis, the Class II-A Principal Distribution Amount for such Distribution Date, until the Certificate Principal Balances thereof are reduced to zero;

- (ii) To the Class M-1 Certificates, from any remaining Principal Distribution Amount in respect of both Loan Groups for such Distribution Date, the Class M-1 Principal Distribution Amount, until the Certificate Principal Balance thereof is reduced to zero;

- (iii) To the Class M-2 Certificates, from any remaining Principal Distribution Amount in respect of both Loan Groups for such Distribution Date, the Class M-2 Principal Distribution Amount, until the Certificate Principal Balance thereof is reduced to zero;
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- (iv) To the Class M-3 Certificates, from any remaining Principal Distribution Amount in respect of both Loan Groups for such Distribution Date, the Class M-3 Principal Distribution Amount, until the Certificate Principal Balance thereof is reduced to zero;
- (v) To the Class M-4 Certificates, from any remaining Principal Distribution Amount in respect of both Loan Groups for such Distribution Date, the Class M-4 Principal Distribution Amount, until the Certificate Principal Balance thereof is reduced to zero;
- (vi) To the Class M-5 Certificates, from any remaining Principal Distribution Amount in respect of both Loan Groups for such Distribution Date, the Class M-5 Principal Distribution Amount, until the Certificate Principal Balance thereof is reduced to zero;
- (vii) To the Class M-6 Certificates, from any remaining Principal Distribution Amount in respect of both Loan Groups for such Distribution Date, the Class M-6 Principal Distribution Amount, until the Certificate Principal Balance thereof is reduced to zero;
- (viii) To the Class M-7 Certificates, from any remaining Principal Distribution Amount in respect of both Loan Groups for such Distribution Date, the Class M-7 Principal Distribution Amount, until the Certificate Principal Balance thereof is reduced to zero; and
- (ix) To the Class M-8 Certificates, from any remaining Principal Distribution Amount in respect of both Loan Groups for such Distribution Date, the Class M-7 Principal Distribution Amount, until the Certificate Principal Balance thereof is reduced to zero.

(3) Notwithstanding the provisions of clauses (2)(A) and (B) above, if on any Distribution Date the Class A Certificates related to a Loan Group are no longer outstanding, the *pro rata* portion of the Principal Distribution Amount or the applicable Class A Principal Distribution Amount, as applicable, otherwise allocable to such Class A Certificates will be allocated to the remaining group of Class A Certificates *pro rata* and among the Classes of such certificate group in the same manner and order of priority described above; provided, however, any such amount allocable to the Class II-A-2 Certificates will be used first to pay the Certificate Insurer

any Reimbursement Amounts related to principal draws on the Class II-A-2 Policy; and

(4) Any Excess Cashflow shall be distributed in the following manner and order of priority:

(A) from any remaining Excess Cashflow, to the Class A Certificates, (a) first, any remaining Interest Carry Forward Amount for such Classes, *pro rata*, in accordance with the Interest Carry Forward Amount due with respect to each such Class, to the extent not fully paid pursuant to clauses (1) (A) and (B) above and Section 3.20(c); provided, however any Excess Cashflow allocable to the Class II-A-2 Certificates under this clause will be used to pay any unpaid Reimbursement Amounts relating to interest draws owed to the Certificate Insurer prior to paying any Interest Carry Forward Amount to the Class II-A-2 Certificates, and (b) second, any Unpaid Realized Loss Amount for such Classes for such Distribution Date, *pro rata*, in accordance with the Applied Realized Loss Amount allocated to each such Class;

(B) from any remaining Excess Cashflow, to the Class M-1 Certificates, any remaining Interest Carry Forward Amount for such Class, in accordance with the Interest Carry Forward Amount due with respect to such Class, to the extent not fully paid pursuant to clause (1)(B) above and Section 3.20(c);

(C) from any remaining Excess Cashflow, sequentially, to the Class M-2, Class M-3, Class M-4, Class M-5, Class M-6, Class M-7 and Class M-8 Certificates, in that order, an amount equal to the Interest Carry Forward Amount for each such Class for such Distribution Date to the extent not fully paid pursuant to Section 3.20(c);

(D) from any remaining Excess Cashflow otherwise distributable to the Class CE Interest and the Class CE Certificates, (i) first, to the Reserve Fund to pay to the Class I-A Certificates and Class II-A Certificates, any Basis Risk Shortfall Carry Forward Amount for each such Class for such Distribution Date, on a *pro rata* basis, based on the amount of the Basis Risk Shortfall Carry Forward Amount for each such Class and to the extent not paid pursuant to Section 3.20(c) and to the extent such amount exceeds the amounts then on deposit in the Reserve Fund, and (ii) second, to maintain a balance in the Reserve Fund equal to the Reserve Fund Deposit;

(E) from any remaining Excess Cashflow, to pay the Certificate Insurer any Reimbursement Amount to the extent not paid above;

(F) from any remaining Excess Cashflow otherwise distributable to the Class CE Interest and the Class CE Certificates, to the Reserve Fund, (i) first, to pay to the Class M-1, Class M-2, Class M-3, Class M-4, Class M-

5, Class M-6, Class M-7 and Class M-8 Certificates, sequentially in that order, any Basis Risk Shortfall Carry Forward Amount for each such Class for such Distribution Date, if any, in each case to the extent not paid pursuant to Section 3.20(c) and to the extent such amount exceeds the amounts then on deposit in the Reserve Fund (ii) second, to maintain a balance in the Reserve Fund equal to the Reserve Fund Deposit;

(G) from any remaining Excess Cashflow, to the Class A Certificates, on a *pro rata* basis, based on the entitlement of each such Class, and then sequentially to the Class M-1, Class M-2, Class M-3, Class M-4, Class M-5, Class M-6, Class M-7 and Class M-8 Certificates, in that order, the amount of Relief Act Shortfalls and any Prepayment Interest Shortfalls allocated to such Classes of Certificates, to the extent not previously reimbursed;

(H) from any remaining Excess Cashflow, to the Swap Administrator for payment to the Swap Provider, any Swap Termination Payments due to a Swap Provider Trigger Event owed by the Trust Fund;

(I) from any remaining Excess Cashflow, to the Class CE Interest and Class CE Certificates, an amount equal to the Class CE Distribution Amount reduced by amounts distributed in clauses (D) and (F) above; and

(J) from any remaining Excess Cashflow, to each of the Class R-1, Class R-2, Class R-3 and Class RX Certificates, based on the related REMIC in which such amounts remain.

On each Distribution Date, all amounts in respect of Prepayment Charges shall be distributed to the Holders of the Class P Interest and the Class P Certificates, provided that such distributions shall not be in reduction of the principal balance thereof. On the Distribution Date immediately following the expiration of the latest Prepayment Charge term as identified on the Mortgage Loan Schedule, any amount on deposit in the Class P Certificate Account will be distributed to the Holders of the Class P Interest and the Class P Certificates in reduction of the Certificate Principal Balance thereof.

In addition, notwithstanding the foregoing, on any Distribution Date after the Distribution Date on which the Certificate Principal Balance of a Class of Class A Certificates or Class M Certificates has been reduced to zero, that Class of Certificates will be retired and will no longer be entitled to distributions, including distributions in respect of Prepayment Interest Shortfalls or Basis Risk Shortfall Carry Forward Amounts.

In addition, notwithstanding the foregoing clause (a)(2), to the extent a Class IO Distribution Amount is payable from principal collections, Principal Distribution Amounts will be deemed paid to the most subordinate Class of Regular Certificates, until the Certificate Principal Balance thereof has been reduced to zero, and such amount will be paid pursuant to Section 3.20(e).

(b) In addition to the foregoing distributions, with respect to any Subsequent Recoveries, the Master Servicer shall deposit such funds into the Protected Account pursuant to Section 4.01(b)(iii). If, after taking into account such Subsequent Recoveries, the amount of a Realized Loss is reduced, the amount of such Subsequent Recoveries will be applied to increase the Certificate Principal Balance of the Class of Certificates with the highest payment priority to which Realized Losses have been allocated, but not by more than the amount of Realized Losses previously allocated to that Class of Certificates pursuant to Section 5.05; provided, however, to the extent that no reductions to a Certificate Principal Balance of any Class of Certificates currently exists as the result of a prior allocation of a Realized Loss, such Subsequent Recoveries will be applied as Excess Spread. The amount of any remaining Subsequent Recoveries will be applied to increase the Certificate Principal Balance of the Class of Certificates with the next highest payment priority, up to the amount of such Realized Losses previously allocated to that Class of Certificates pursuant to Section 5.05, and so on. Holders of such Certificates will not be entitled to any payment in respect of Current Interest on the amount of such increases for any Interest Accrual Period preceding the Distribution Date on which such increase occurs. Any such increases shall be applied to the Certificate Principal Balance of each Certificate of such Class in accordance with its respective Percentage Interest.

(c) Subject to Section 10.02 hereof respecting the final distribution, on each Distribution Date the Trustee shall make distributions to each Certificateholder of record on the preceding Record Date either by wire transfer in immediately available funds to the account of such Holder at a bank or other entity having appropriate facilities therefor, if such Holder has so notified the Trustee at least 5 Business Days prior to the related Record Date, or, if not, by check mailed by first class mail to such Certificateholder at the address of such Holder appearing in the Certificate Register. Notwithstanding the foregoing, but subject to Section 10.02 hereof respecting the final distribution, distributions with respect to Certificates registered in the name of a Depository shall be made to such Depository in immediately available funds.

(d) On or before 5:00 p.m. Eastern time on the fifth Business Day immediately preceding each Distribution Date, the Master Servicer shall deliver a report to the Trustee in electronic form (or by such other means as the Master Servicer and the Trustee may agree from time to time) containing such data and information, as agreed to by the Master Servicer and the Trustee such as to permit the Trustee to prepare the Monthly Statement to Certificateholders and to make the required distributions for the related Distribution Date.

Section 5.05 Allocation of Realized Losses.

(a) All Realized Losses on the Mortgage Loans allocated to any REMIC II Regular Interest pursuant to Section 5.05(c) on the Mortgage Loans shall be allocated by the Trustee on each Distribution Date as follows: first, to Excess Spread as part of the payment in respect of the Extra Principal Distribution Amount for such Distribution Date; second, to the Class CE Interest and Class CE Certificates, until the Certificate Principal Balance or Uncertificated Principal Balance thereof, as applicable, has been reduced to zero; third, to the Class M-8 Certificates, until the Certificate Principal Balance thereof has been reduced to zero; fourth, to the Class M-7 Certificates, until the Certificate Principal Balance thereof has been reduced to zero; fifth, to the Class M-6 Certificates, until the Certificate Principal Balance thereof has been reduced to zero; sixth, to the Class M-5 Certificates, until the Certificate Principal Balance thereof has been

ARTICLE X

TERMINATION

Section 10.01 Termination upon Liquidation or Repurchase of all Mortgage Loans.

Subject to Section 10.03, the obligations and responsibilities of the Depositor, the Master Servicer, the Seller and the Trustee created hereby with respect to the Trust Fund shall terminate upon the earlier of (a) the purchase by the Majority Class CE Certificateholder (or its designee) or the Master Servicer, as applicable, of all of the Mortgage Loans (and REO Properties) remaining in the Trust Fund at a price (the "Mortgage Loan Purchase Price") equal to the sum of (i) 100% of the Stated Principal Balance of each Mortgage Loan (other than in respect of REO Property), (ii) accrued interest thereon at the applicable Mortgage Rate to, but not including, the first day of the month of such purchase, (iii) the appraised value of any REO Property in the Trust Fund (up to the Stated Principal Balance of the related Mortgage Loan), such appraisal to be conducted by an appraiser mutually agreed upon by the Master Servicer and the Trustee, (iv) unreimbursed out-of pocket costs of the Master Servicer, including unreimbursed servicing advances and the principal portion of any unreimbursed Advances, made on the Mortgage Loans prior to the exercise of such repurchase right, (v) any unreimbursed costs and expenses of the Trustee payable pursuant to Section 9.05, (vi) the amount of any Reimbursement Amount due to the Certificate Insurer and (vii) any Swap Termination Payment payable to the Swap Provider which remains unpaid or which is due to the exercise of such option and (b) the later of (i) the maturity or other liquidation (or any Advance with respect thereto) of the last Mortgage Loan remaining in the Trust Fund and the disposition of all REO Property and (ii) the distribution to Certificateholders and the Certificate Insurer of all amounts required to be distributed to them pursuant to this Agreement, as applicable. In no event shall the trusts created hereby continue beyond the earlier of (i) the expiration of 21 years from the death of the last survivor of the descendants of Joseph P. Kennedy, the late Ambassador of the United States to the Court of St. James, living on the date hereof and (ii) the Latest Possible Maturity Date.

The right to repurchase all Mortgage Loans and REO Properties by the Majority Class CE Certificateholder pursuant to clause (a) in the preceding paragraph shall be conditioned upon the Stated Principal Balance of all of the Mortgage Loans in the Trust Fund, at the time of any such repurchase, aggregating 10% or less of the aggregate Cut-off Date Principal Balance of all of the Mortgage Loans. If the Majority Class CE Certificateholder does not exercise this option, the Master Servicer has the right to repurchase all Mortgage Loans and REO Properties pursuant to clause (a) in the preceding paragraph, conditioned upon the Stated Principal Balance of all of the Mortgage Loans in the Trust Fund, at the time of any such repurchase, aggregating 5% or less of the aggregate Cut-off Date Principal Balance of all of the Mortgage Loans.

Section 10.02 Final Distribution on the Certificates.

If on any Determination Date, (i) the Master Servicer determines that there are no Outstanding Mortgage Loans and no other funds or assets in the Trust Fund other than the funds in the Protected Account, the Master Servicer shall direct the Trustee to send a final distribution notice promptly to each Certificateholder and the Certificate Insurer or (ii) the Trustee determines that a Class of Certificates shall be retired after a final distribution on such Class, the

Trustee shall notify the Certificateholders (and the Certificate Insurer with respect to the Class II-A-2 Certificates) within five (5) Business Days after such Determination Date that the final distribution in retirement of such Class of Certificates is scheduled to be made on the immediately following Distribution Date. Any final distribution made pursuant to the immediately preceding sentence will be made only upon presentation and surrender of the related Certificates at the Corporate Trust Office of the Trustee. If the Majority Class CE Certificateholder or the Master Servicer, as applicable, elects to terminate the Trust Fund pursuant to Section 10.01, at least 20 days prior to the date notice is to be mailed to the Certificateholders, the Majority Class CE Certificateholder or the Master Servicer, as applicable, shall notify the Depositor, the Certificate Insurer and the Trustee of the date the Majority Class CE Certificateholder or the Master Servicer, as applicable, intends to terminate the Trust Fund. The Master Servicer shall remit the Mortgage Loan Purchase Price to the Trustee on the Business Day prior to the Distribution Date for such Optional Termination by the Majority Class CE Certificateholder or the Master Servicer, as applicable.

Notice of any termination of the Trust Fund, specifying the Distribution Date on which Certificateholders may surrender their Certificates for payment of the final distribution and cancellation, shall be given promptly by the Trustee by letter to Certificateholders and the Certificate Insurer mailed not later than two Business Days after the Determination Date in the month of such final distribution. Any such notice shall specify (a) the Distribution Date upon which final distribution on the Certificates will be made upon presentation and surrender of Certificates at the office therein designated, (b) the amount of such final distribution, (c) the location of the office or agency at which such presentation and surrender must be made and (d) that the Record Date otherwise applicable to such Distribution Date is not applicable, distributions being made only upon presentation and surrender of the Certificates at the office therein specified. The Trustee will give such notice to each Rating Agency at the time such notice is given to Certificateholders.

In the event such notice is given, the Master Servicer shall cause all funds in the Protected Account to be remitted to the Trustee for deposit in the Distribution Account on the Business Day prior to the applicable Distribution Date in an amount equal to the final distribution in respect of the Certificates and any Reimbursement Amounts due to the Certificate Insurer. Upon such final deposit with respect to the Trust Fund and the receipt by the Trustee of a Request for Release therefor, the Trustee or the Custodian shall promptly release to EMC as applicable the Mortgage Files for the Mortgage Loans and the Trustee shall execute and deliver any documents prepared and delivered to it which are necessary to transfer any REO Property.

Upon presentation and surrender of the Certificates, the Trustee shall cause to be distributed to Certificateholders and to the Certificate Insurer of each Class the amounts allocable to such Certificates and to the Certificate Insurer held in the Distribution Account in the order and priority set forth in Section 5.04 hereof on the final Distribution Date and in proportion to their respective Percentage Interests.

In the event that any affected Certificateholders shall not surrender Certificates for cancellation within six months after the date specified in the above mentioned written notice, the Trustee shall give a second written notice to the remaining Certificateholders to surrender their Certificates for cancellation and receive the final distribution with respect thereto. If within six

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months after the second notice all the applicable Certificates shall not have been surrendered for cancellation, the Trustee may take appropriate steps, or may appoint an agent to take appropriate steps, to contact the remaining Certificateholders concerning surrender of their Certificates, and the cost thereof shall be paid out of the funds and other assets that remain a part of the Trust Fund. If within one year after the second notice all Certificates shall not have been surrendered for cancellation, the Class R Certificateholders shall be entitled to all unclaimed funds and other assets of the Trust Fund that remain subject hereto.

Section 10.03 Additional Termination Requirements.

(a) Upon exercise by the Majority Class CE Certificateholder or the Master Servicer, as applicable, of its purchase option as provided in Section 10.01, the Trust Fund shall be terminated in accordance with the following additional requirements, unless the Trustee and the Certificate Insurer has been supplied with an Opinion of Counsel addressed to the Trustee and the Certificate Insurer, at the expense of the Majority Class CE Certificateholder or the Master Servicer, as applicable, to the effect that the failure of the Trust Fund to comply with the requirements of this Section 10.03 will not (i) result in the imposition of taxes on "prohibited transactions" of a REMIC, or (ii) cause a REMIC to fail to qualify as a REMIC at any time that any Certificates are outstanding:

(1) The Majority Class CE Certificateholder or the Master Servicer, as applicable, shall establish a 90-day liquidation period and notify the Trustee thereof, and the Trustee shall in turn specify the first day of such period in a statement attached to the tax return for each of REMIC I, REMIC II, REMIC III, REMIC IV, REMIC V and REMIC VI pursuant to Treasury Regulation Section 1.860F-1. The Majority Class CE Certificateholder or the Master Servicer, as applicable, shall satisfy all the requirements of a qualified liquidation under Section 860F of the Code and any regulations thereunder, as evidenced by an Opinion of Counsel obtained at the expense of the Majority Class CE Certificateholder or the Master Servicer, as applicable;

(2) During such 90-day liquidation period, and at or prior to the time of making the final payment on the Certificates, the Trustee shall sell all of the assets of REMIC I for cash; and

(3) At the time of the making of the final payment on the Certificates, the Trustee shall distribute or credit, or cause to be distributed or credited, to the Holders of the Residual Certificates all cash on hand (other than cash retained to meet claims), and REMIC I shall terminate at that time.

(b) By their acceptance of the Certificates, the Holders thereof hereby authorize the adoption of a 90-day liquidation period and the adoption of a plan of complete liquidation for REMIC I, REMIC II, REMIC III, REMIC IV, REMIC V and REMIC VI, which authorization shall be binding upon all successor Certificateholders.

(c) The Trustee as agent for each REMIC hereby agrees to adopt and sign such a plan of complete liquidation meeting the requirements for a qualified liquidation under Section 860F of the Code and any regulations thereunder upon the written request of the Majority Class CE
