
ALTA 10.3 ENDORSEMENT — COLLATERAL ASSIGNMENT AND DATE DOWN

This endorsement is issued as part of
Policy Number _____
issued by
BLANK TITLE INSURANCE COMPANY

1. For purposes of this endorsement only, the following terms mean:
 - a. "Date of Endorsement" means: _____.
 - b. The "Collateral Assignee" referred to in this endorsement is: _____.
 - c. The "Collateral Assignment" referred to in this endorsement is dated _____ and recorded on _____ as document number _____ in the Public Records.

2. The Company insures against loss or damage sustained by the Collateral Assignee by reason of:
 - a. The failure of the Collateral Assignment to assign as collateral for a debt that portion of the lien of the Insured Mortgage specified in the Collateral Assignment to the Collateral Assignee;
 - b. Any liens for taxes or assessments affecting the Title that are due and payable on the Date of Endorsement, except: _____;
 - c. Lack of priority of the lien of the Insured Mortgage over defects, liens, or encumbrances recorded in the Public Records other than:
 - i. those shown in the policy or a prior endorsement; and
 - ii. the following matters: _____;
 - d. Notices of federal tax liens or notices of pending bankruptcy proceedings affecting the Title and recorded in the Public Records subsequent to the Date of Policy and prior to the Date of Endorsement, except:
_____;
 - e. Any modification, partial or full reconveyance, subordination, release, or discharge of the lien of the Insured Mortgage recorded in the Public Records other than:
 - i. those shown in the policy or a prior endorsement; and
 - ii. the following matters: _____.

[Drafting Instruction: For each of items 2.b through 2.e above, specify additional exceptions, if any, or "none".]

3. This endorsement does not insure against loss or damage, and the Company will not pay costs, attorneys' fees, or expenses, by reason of any claim that arises out of the transaction creating the assignment by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights law that is based on the assignment being a:
 - a. fraudulent conveyance or fraudulent transfer;
 - b. voidable transfer under the Uniform Voidable Transactions Act; or
 - c. preferential transfer.

4. This endorsement is effective provided that, at the Date of Endorsement:
 - a. the note or notes secured by the lien of the Insured Mortgage have been properly endorsed and delivered to the Collateral Assignee; or
 - b. if the note or notes are transferable records, the Collateral Assignee has "control" of the single authoritative copy of each "transferable record" as these terms are defined by applicable electronic transaction laws.

5. The liability of the Company under this endorsement will not exceed the amount of \$ _____, along with costs, if any, that the Company is obligated to pay in accordance with the Conditions; and the total liability of the Company under the policy and any endorsements thereto will not exceed, in the aggregate, the Amount of Insurance, along with costs, if any, that the Company is obligated to pay in accordance with the Conditions.

[Drafting Instruction: Insert the dollar amount shown in the Collateral Assignment in the blank space above.]

6. By execution below, the Insured named in Schedule A of the policy acknowledges:
- a. any payment(s) made under this policy up to the amount specified in Section 5 above will be made to the Collateral Assignee; and
 - b. any payment(s) made under this endorsement will reduce the Amount of Insurance as provided in Condition 10.
7. If the Insured, the Collateral Assignee, or others have conflicting claims to all or part of the loss payable under the policy, the Company may interplead the amount of the loss into Court. The Insured and the Collateral Assignee will be jointly and severally liable for the Company's reasonable cost for the interpleader and subsequent proceedings, including attorneys' fees. The Company will be entitled to payment of the sums for which the Insured and Collateral Assignee are liable under the preceding sentence from the funds deposited into Court, and it may apply to the Court for their payment.
8. Whenever the Company has settled a claim and paid the Collateral Assignee pursuant to this endorsement, the Company will be subrogated and entitled to all rights and remedies that the Collateral Assignee may have against any person or property arising from the Collateral Assignment.

This endorsement is issued as part of the policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and of any prior endorsements.

AGREED AND CONSENTED TO:

Insured:

[Drafting Instruction: Insert name of Insured and required signature block(s)]

By: _____
[Authorized Signatory]

Collateral Assignee:

[Drafting Instruction: Insert name of Collateral Assignee and required signature block(s)]

By: _____
[Authorized Signatory]



[Witness clause]

BLANK TITLE INSURANCE COMPANY

By: _____
[Authorized Signatory]