

Are Electronic Signatures Legally Enforceable?

“Despite the speed and efficiency that comes with signing documents electronically, many business people (and even some lawyers) remain reluctant to accept electronic signatures. Luckily for those of us who are sheltering in place or practicing social distancing, most electronic signatures are just as valid and enforceable as a traditional manual signature,” writes Ryan P. Siney in Tucker Arensberg’s *News + Insights*.

“A federal law, the Electronic Signatures in Global and National Commerce (ESIGN) Act, and the law of nearly every state (through the adoption of the Uniform Electronic Transactions Act or similar legislation), provide that electronic signatures are legally enforceable as long as a few basic requirements are satisfied. These laws require electronically signed contracts to be enforced and treated the same as any document signed by traditional means. In other words, no contract can be voided or rendered unenforceable merely because it was signed electronically.”

“To qualify as an enforceable electronic signature, there must be evidence of the signer’s intent to execute or accept the agreement. This is typically accomplished by requiring the signer to take affirmative action, like typing their name or drawing their signature using a mouse or touchscreen. As long as the signer’s intent to agree to the contract can be discerned from the record, an electronic signature is likely to be enforceable. Courts in some states have enforced contracts where a party’s intent to accept the terms of the agreement were evidenced by email exchange or text message, even though there was no drawn or typed signature.”

Read the article.