

The Brave New World of RON

- Patricia “Trish” Ladan, *Florida State Counsel*
- WFG National Title Insurance Company, *South West Region*



Overview

- Who is RON?
- How to get a RON License
- Selecting a 3rd Party Vendor
- Going it Alone
- Conducting a RON Closing
- Filing the Docs with the County Clerk



RON: Who Is He?

- **R**emote **O**nline **N**otary



- Texas RON Rules:

- Title 1, Part 4, Ch. 87, TX Administrative Code;
- Subchapter C, Ch. 406, TX Govt. Code;
- Ch. 121, TX Civil Practice & Remedies Code

- Must be a “traditional” Texas notary first*

<https://www.sos.state.tx.us/statdoc/gettingstarted.shtml>



Is This Really New?

“Any Texas notary may perform an **electronic notarization**. An electronic notarization must meet all of the requirements of any other notarization, **such as the requirement that the signer personally appear** before the notary to acknowledge the document. In addition, the notary’s electronic seal must reproduce the required elements of the notary seal.” -

[SOS web site]



“An **online notarization** is a notarial act performed by an online notary by means of **two-way video and audio conference** technology that meets the standards adopted by the Secretary of State for such actions including credential analysis and identity proofing.” [SOS web site]



**Electronic
Notarization**



**Online
Notarization**





This Looks Like A Lot of Work!

- But not all of it is YOUR work.
- You need a 3rd party vendor who will handle the legwork of establishing the 2 way audio and visual communications.
- The vendor must provide the “Online notarization system”



Online Notarization System

- Audio visual system.
- Captured image resolution for “credential analysis”.
- Must be a closed electronic system.
- Storage issues. 3rd party vendor stores it.
- Not the same as a SKYPE connection or Facetime.





Identity Proofing

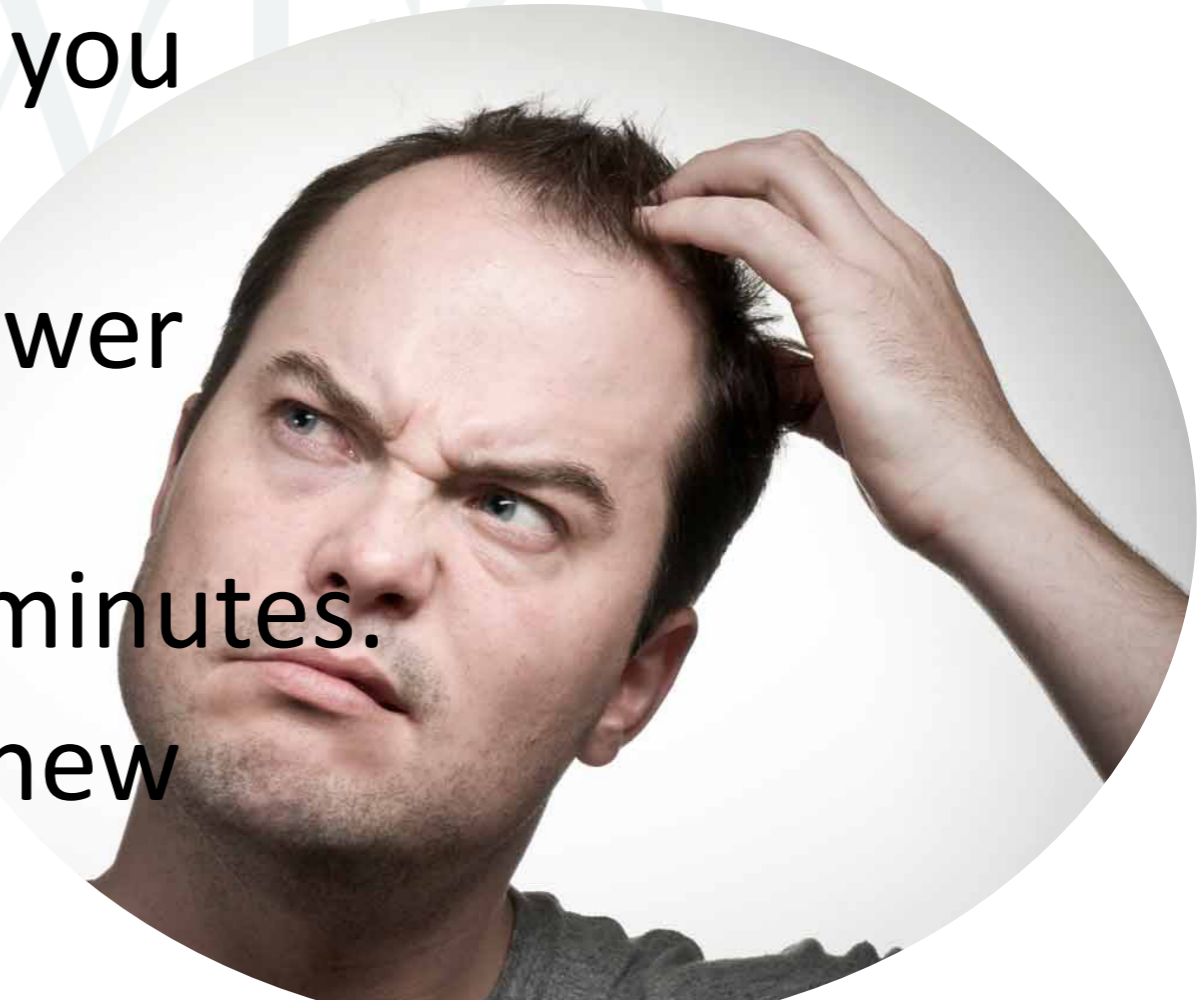
- You've done this for a long time already.
- It's the "system" by which you conclude that the person sitting across your table is really the person they claim to be.
- But they aren't sitting across your table . . .





Identity Proofing Via Knowledge Based Authentication

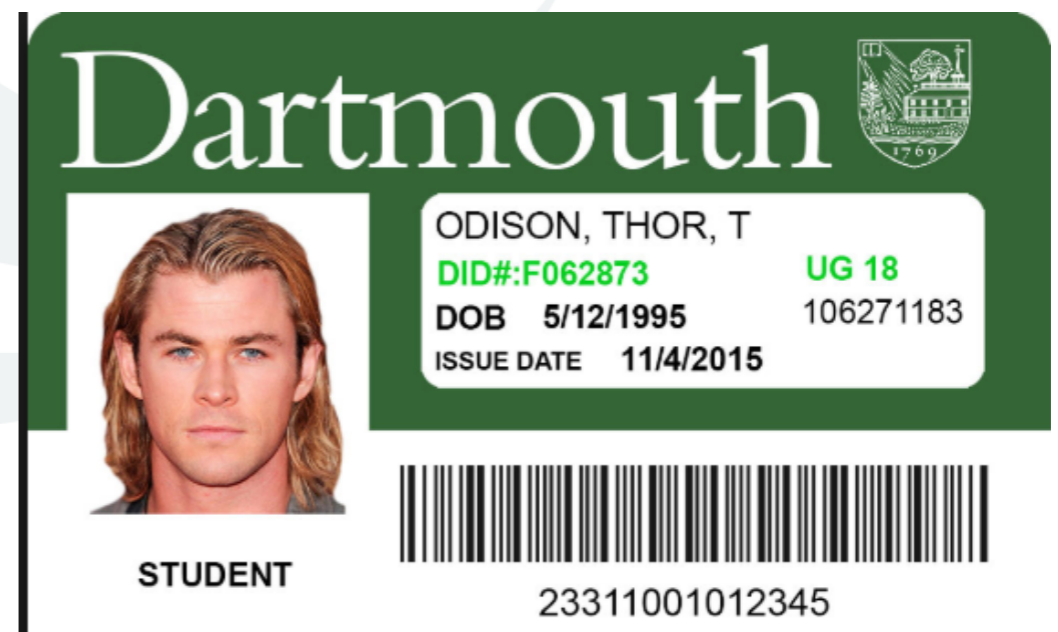
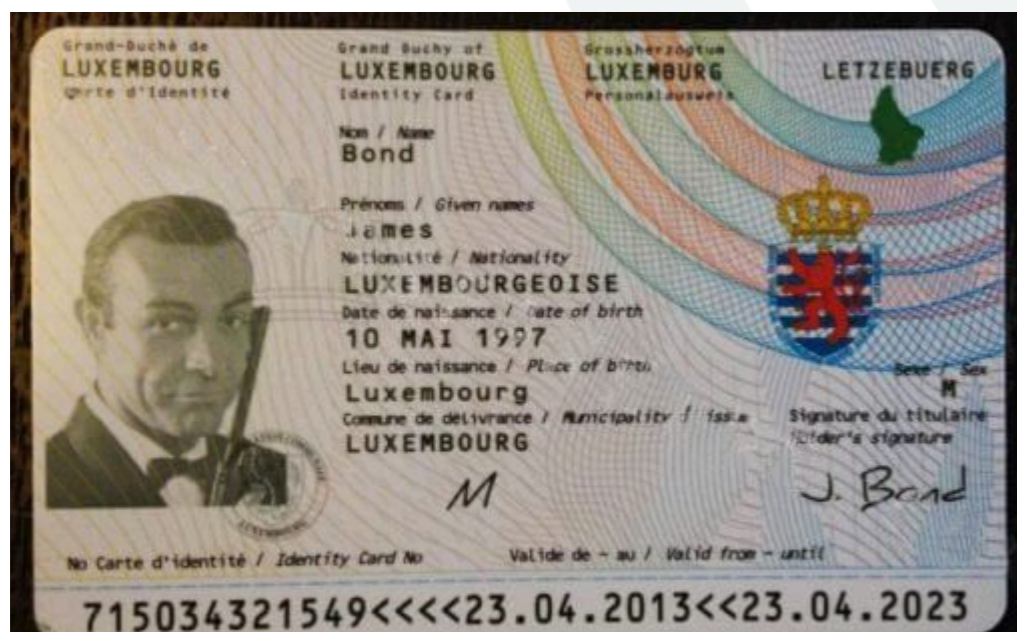
- The 3rd party vendor will have access to questions which should only be answerable by the ACTUAL person.
- Which address did you live at, what car did you drive, where did you work.
- 5 questions, each with 5 answer choices.
- Must get 4 of 5 correct in 2 minutes.
- One do-over with at least 3 new questions.





“Credential Analysis”

- Verifying the type of ID presented.
- Does not change the law as to what is or is not a valid ID in Texas.
- Format, style, layout, size, barcode scanning, etc.
- Allows the RON to visually compare the ID with the appearance of the principal.





Contracting With a 3rd Party Vendor...or Not

- RON Service – Use their notaries
 - Examples: NotaryCam[®], Notarize
 - What state issued their RON?
- RON Platform – Use their software
 - DocVerify
 - Nexsys[®] Clear Sign
 - Notarize
 - NotaryCam[®]
 - Pavaso[®]
- Does your lender have a say in it?



I Can Do This Myself!

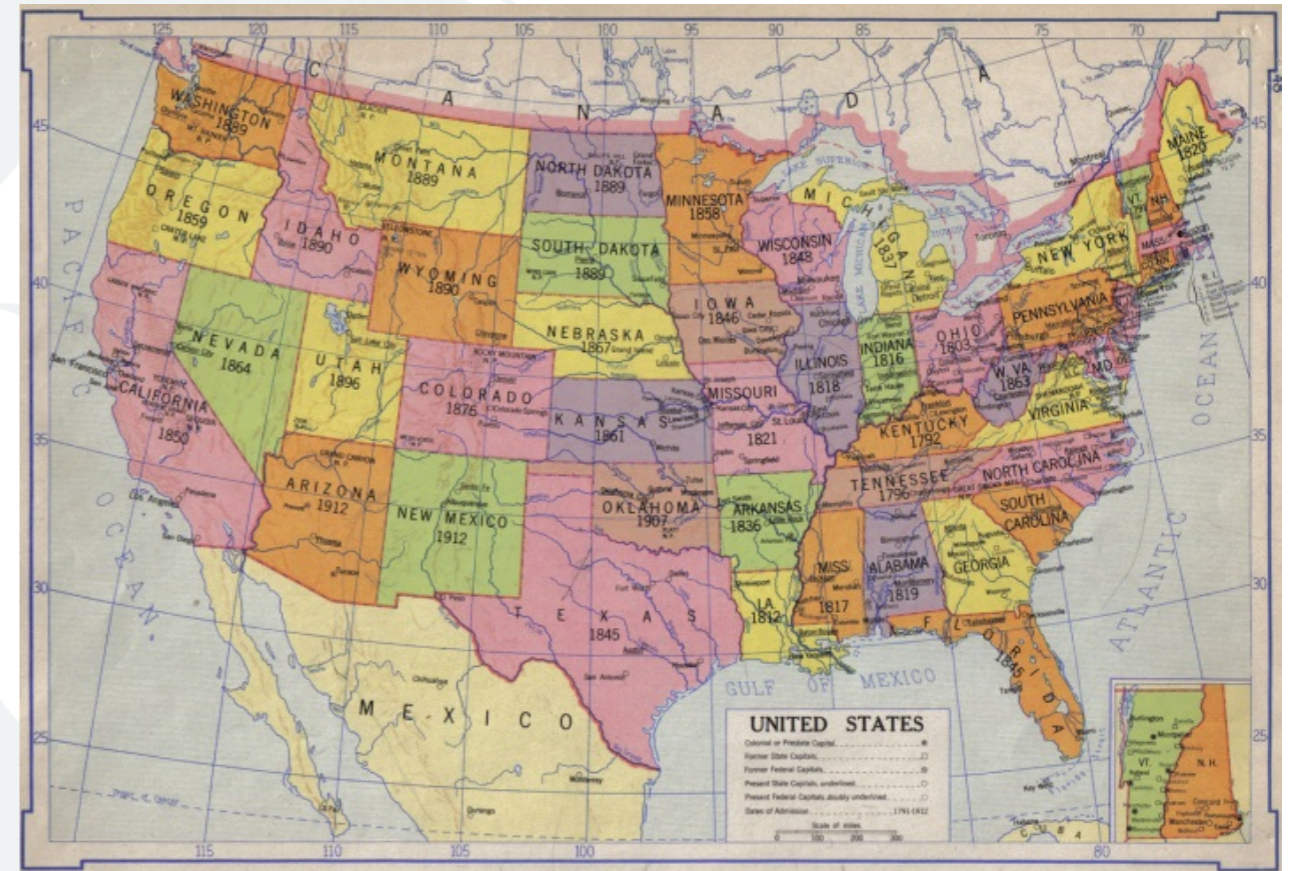
- Prepare your documents
 - Most platforms will require “flagging” signature lines. Expect each platform to be different.
- Prepare your signer (buyer or seller) for the process
- Prepare for the signer to change their mind or have technical difficulties
- Prepare your script – remember, the entire RON transaction is ***recorded***.





The Process

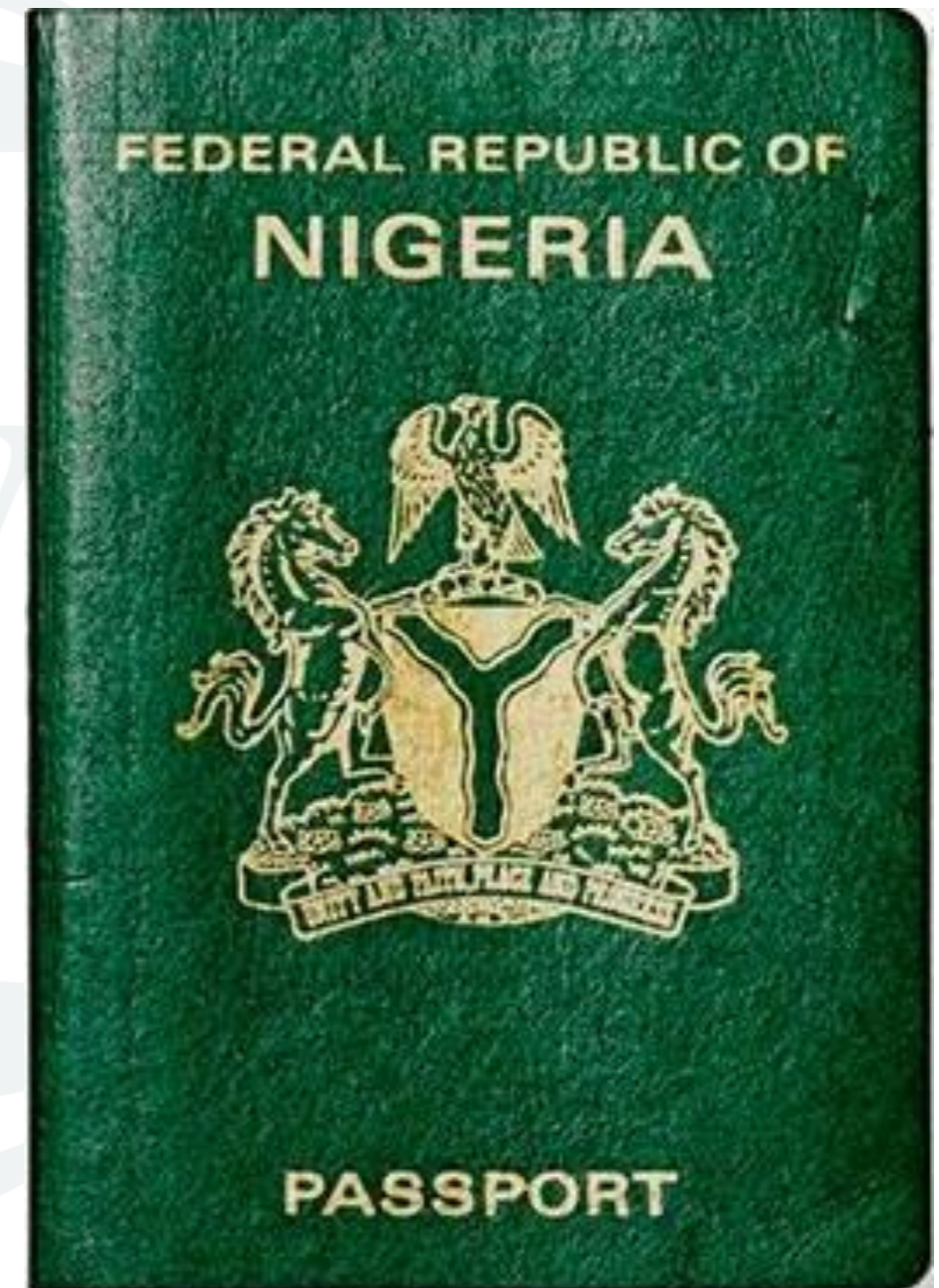
- The Texas RON **must** be IN Texas.
- Non-Texas RON acceptable, except for VA
- The principal can be anywhere in the United States
- The principal can be outside the US **if** they are a US citizen or a foreign national with a SSN.





Required Identification

- Verification of ID through the 3rd party vendor's systems.
- A problem if the principal has a non-US ID ?
 - Foreign passports
- The certificate shall state that it is an online notarization.





Short Form Acknowledgment

State of Texas
County of _____

This instrument was acknowledged before me
on (date) by (name or names of person or persons
acknowledging). This notarial act was an online
notarization.

Notary Seal
[SOS web site]

Digital Certificate



Prohibited Transactions



- Home equity documents.
- A Power of Attorney.
- A will, codicil or a document “regarding” a testamentary trust.
 - OK for a Certification of Trust.
- On a reverse mortgage, first obtain the lender’s consent to deletions in coverage required by Procedural Rule 45.



Watch Out for These!

- When you are not comfortable unless the principal comes to your office.
- You cannot verify the identity of the principal.
- The system does not seem secure.
- You question the capacity of the principal.
- Coaching.
- System malfunction.





Filing With the County Clerk

- The end product of the RON process is an electronic document.
- Filing ***should*** be less of a problem in counties that accept electronic filing.
 - There are 254 counties in Texas
 - Only 61 counties record electronically
- There are unresolved questions about the other counties.





Non-Texas RON

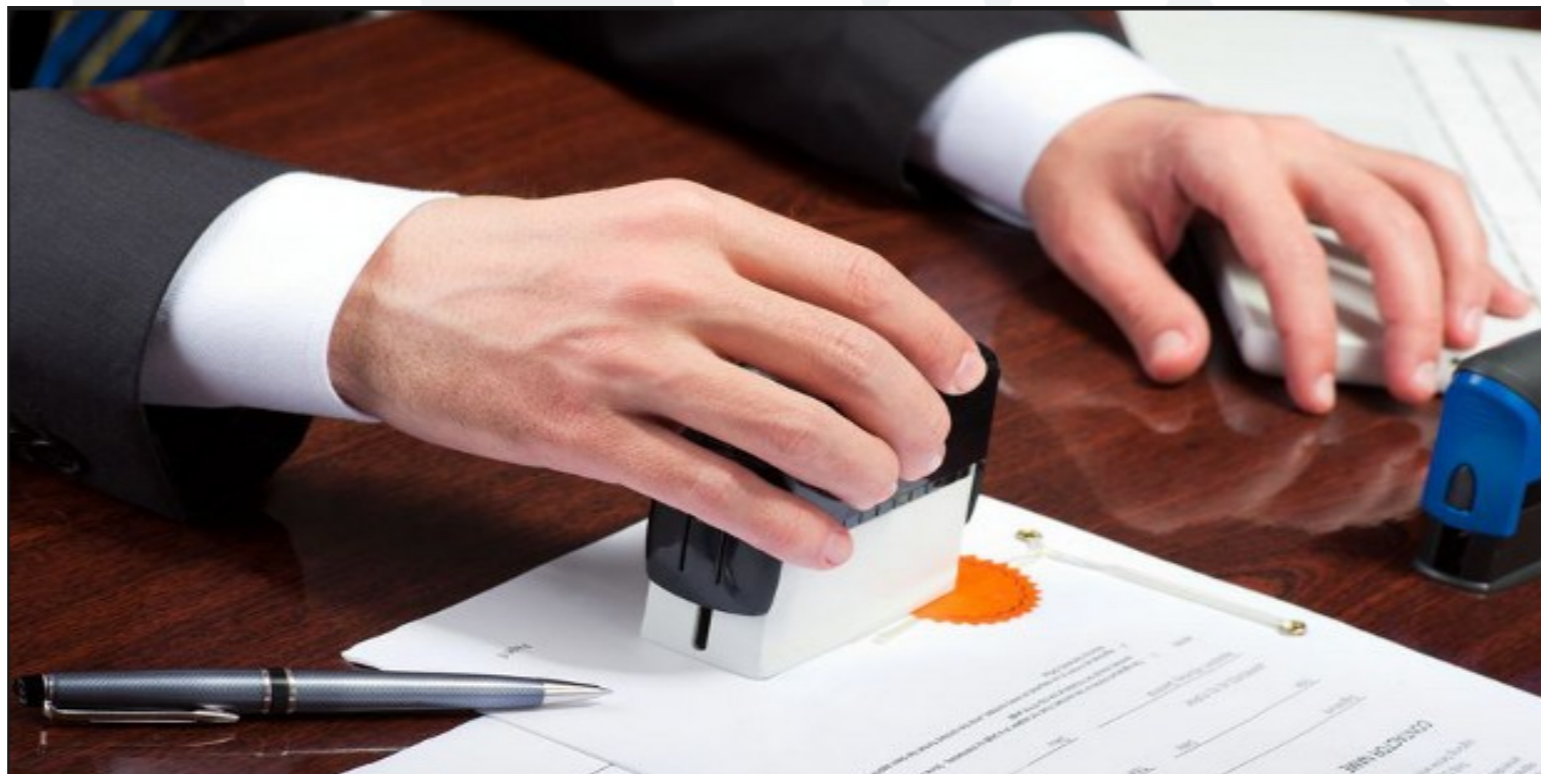
- WFG accepts RON documents if the RON holds a valid RON license, **EXCEPT Virginia.***
- See WFG Bulletin # NB 2020-04 Temporary Underwriting Standards for RON; COVID-19





Is this the End of Mobile Notaries?

- Mobile notaries may be less expensive in some situations than using a RON.
- Some Texas counties may not accept RON docs for filing.
- Sometimes you will want your “own person” to see the principal in person.





What is the Cost? And Who Pays?

- Typically this is a flat fee
- Comparable to a mobile notary in cost.
- Notary fee itself is \$25.00 per document.
- Most services have a package – that is for recorded documents – all other affidavits signed and notarized at closing cost extra





Thank You!!!!

The WFG Southwest Region family **THANK YOU** for being our agent, for trusting WFG, and for attending this presentation.

Please send questions to:

Pladan@wfgnationaltitle.com

