

# From Desk to Digital

## Best Practices and Standards for Fraud Prevention in All Notary Environments

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# What We'll Cover

- Proven Methods of Identity verification across all platforms
- National and state level standards and compliance requirements;
- Tools and technologies to safeguard electronic notarial acts;
- The importance of identity verification;
- Use of RON notaries and other notaries outside of your office;



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# Some Questions we will explore

- How do you verify the notary is not a fake?
- How do you verify that the individual/party is not a fake?
- Is it not enough to use a valid notary?
- How about a Remote Online Notary, with KBA? Or other verifications?



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# Identity Verification

- Forgeries are on the rise. Claims are of course a part of being in the insurance business, but claims resulting from forgeries are really expensive to handle .
- Verification of someone's Identity has now become critical in all transactions.



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# ANTIC Guidelines

- We will discuss identity verification services in a bit and we start with our highest encouragement to use a service on all transactions.
- Minimally, we need to look at the following.
  - **The Name.** The name should be the same on the ID as on the documents.
  - **The Address.** The address on the ID should match the address in the transaction documents
  - **The Photo.** The photo on the ID should match the age of the person and the person.
  - **The Signature.** The signature on the ID should match the party's signature. Take a look at other previously recorded documents.



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# ANTIC Guidelines

- The Notary must either make a legible copy of the ID presented or complete an Identification and Notary Certification form for each party whose signature is notarized.
- You must keep a legible copy of the ID presented or the executed Identification and Notary Certification form in your permanent file.
- Compare the signatures even with the ID or form.



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# How about this passport ?



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# ALTA Guidelines

- ALTA just published their “ALTA BEST PRACTICES GUIDANCE – IDENTITY VERIFICATION on the 19<sup>th</sup> of August.
  - Your materials have much of the information from this publication.

Let’s take a look at some of what they are suggesting.



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# ALTA Guidelines

First is to verify that the ID is authentic and for the correct person.

- try to get it ahead of time so you can have time to verify
- Require multiple forms of government ID at least one of which is unexpired
- Cross reference data sources e.g. check with DMV
- Examine the ID for tamper and manipulation
- Look for security features. Holgrams, UV Patterns



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# ALTA GUIDELINES

- Review the ID for expected features of the government ID of the jurisdiction.
- Use of systems or tools to identify government IDs.
- Check information the party provides against records in a known data base.
- Verify PII against government agencies, credit bureaus and other authoritative databases.
- Watchlists screening



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# ALTA GUIDELINES

- Contact references provided.
  - Independently search and obtain contact information from the reference
  - Send a letter to the reference using their publicly available address
  - Contact the signer's real estate agent, attorney, mortgage lender, and or accountant
- Biometric Verification for the signer if remote
- Use of Open Source personal information



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# ALTA GUIDELINES

- **Summary**
  - Use a layered approach to verify the identity that does not rely on a single factor.
  - Train everyone to be alert to the issues surrounding impersonation.



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# USE THIRD PARTY VERIFICATION

- Verifying an ID is complicated and difficult.
- We strongly encourage you to use a third-party verification service in all transactions unless you actually personally know the individuals
- There are many services available, Certified ID, Intellicheck, Val-ID, Proof and others.



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# NOTARY GUIDELINES

- With regard to all notaries, let's take a look at some basics.
- Florida Statutes requires a notary to either know the person or have satisfactory evidence the person is the person acknowledging or swearing to the acts being notarized.
- Breaking that down
  - Personally known means having an acquaintance which establishes the individual's identity with at least a reasonable certainty.



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# NOTARY GUIDELINES

- Florida Statutes requires a notary to either know the person or have satisfactory evidence the person is the person acknowledging or swearing to the acts being notarized.
- Breaking that down
  - Satisfactory evidence means “ the absence of any information, evidence or other circumstances which would lead a reasonable person to believe that the person whose signature is to be notarized is not the person he or she claims to be and an ID or a credible witness affidavit.
  - The ID can be expired and was issued within 5 years



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# Alliant National Title NOTARY GUIDELINES

- We want more for our Notaries to verify ID.
  - **Unexpired driver's license or identification card issued by a U.S. state, territory, or federal government,**
  - **Unexpired Passport – United States or foreign country,**
  - **Unexpired United States military ID,**
  - **Permanent Resident Card (“Green Card”), or Employment Authorization document (EAD, or “work permit”) issued by the U.S. Citizenship and Immigration Services, or Visa issued by the United States,**
  - **Identification card issued by a federally recognized U.S. tribal government.**



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# Alliant National Title NOTARY GUIDELINES

- We want more for our Notaries to verify ID.
  - The notary must carefully review the identification to make sure it is valid.
  - In all cases a second type of ID should be reviewed. ALTA suggests another governmental ID, but we also suggest a less likely to have been forged ID, like a membership ID with a photo.
  - Again, use of a third-party provider to vet the identity of the individuals is highly recommended.



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# Alliant National Title NOTARY GUIDELINES

- **Out of Office Notarizations.**
  - Remember, the foregoing requirements apply to even notarizations in your office.
  - Out of office, out of your control notarizations are riskier. So let's be more careful.
  - You must retain control of the selection of the notary being used outside of your office. You arrange for the use of that notary after you have become comfortable with that notary or the service being used.



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# Alliant National Title NOTARY GUIDELINES

- **Out of Office Notarizations. Two ways**
  - **Mobile Notaries:** We suggest that all mobile notaries you select must be licensed and bonded and covered by E & O insurance. We recommend a minimum of \$250,000 of coverage for Mobile Notaries. Remember a claim based on a forgery is usually for policy limits. Most will exceed the \$250,000, so that should be considered a minimum.
  - **Remote Online Notaries (RON)** must be validly licensed in the state of appointment.



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# Mobile Notary Guidelines

- You pick the mobile notary. Not the customer. You must have direct contact with the mobile notary.
- You must maintain evidence of the mobile notary's license, bond and E&O coverage.
- You must provide the mobile notary with written instructions to be followed in the signing and notarial act process.
- Exhibit A in your materials is a suggested instruction sheet, which includes an identity verification sheet for each party and each ID being used.



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# Remote On Line Notary Guidelines

- All parties must expressly authorize the use of RON Technology
- All parties must provide a separate electronic consent prior to execution of the documents electronically. This is obtained from the vendor providing the RON platform.
- Confirm the county where the property is located accepts electronic documents for recording, or that they will allow the papering out of the documents for recording. (Florida does allow the papering of documents for recordation)



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# Remote Online Notary Guidelines

- Each person whose signature will be notarized must be a US Citizen or permanent resident to use RON.
- If the signers are neither and are in the US, we require an in-person notarization by a Florida notary or a notary in another state.
- If the signers are neither and are not within the US, we do allow the use of a VA RON where KBA is not required. In these cases we will also require an affidavit from a credible witness who has a professional license and who can, themselves, pass the KBA requirements and who is present during the RON session.



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# Remote Online Notary Guidelines

- Regardless of which RON is selected, the RON transaction must comply with all Florida notarial requirements and any specific Florida RON requirements, including the form of the acknowledgment and attestation.
- If the notary is taking a Jurat (for an affidavit), the RON must actually administer the oath and receive verbal confirmation during the audio video recording.



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# Remote Online Notary Guidelines

- We encourage use of a RON provider that has successfully been vetted by MISMO. A link is in your materials.
- There are also services which provide the RON notarizations, one of those we have direct experience with and suggest is Network Transaction Solutions. There is a link in your materials
- We do have a list of RON providers that have met our basic requirements on the ARC as well.



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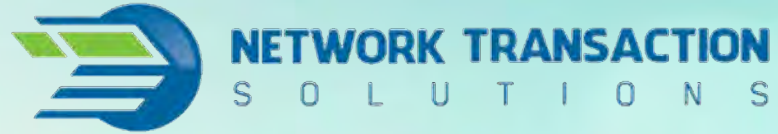
# Remote Online Notary Guidelines

- Network Transaction Solutions has provided some information I think will be helpful with understanding RON transactions and how they work.



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# How a RON Closing Works Step-by-Step with NTS

[www.ntspros.com](http://www.ntspros.com)



# Step by Step



1. Title Agent places order with NTS.
2. NTS confirms the closing date and time with the client and reviews the RON process, including acceptable equipment (computer, laptop, phone, or tablet).
3. NTS obtains title documents & tags each document for digital signatures before appointment time.
4. NTS sends secure RON Closing link to the client email.
5. Customer receives email confirmation & link to closing. Client signs into secure web based portal through a multi-factor process.
6. Client clicks on their closing link remotely at their scheduled time.
7. Client completes identity verification through knowledge-based authentication (KBA) and ID credential analysis.
8. Notary enters the platform and completes RON closing with client.
9. NTS confirms completion. Once signing is complete the client receives immediate link to their signed documents along with access to the video recording of closing.



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# Benefits for Agents & Clients



## Agent Benefits

- No coordinating in-person meetings.
- Faster closing timelines.
- Happy clients = more referrals.
- As easy as ordering a mobile closing.
- Foreign RON available for international clients.



## Client Benefits

- Close from anywhere — even out of state or on vacation.
- Mobile-friendly and intuitive interface.
- NTS team provides reminders and live support.
- Average 20 minute close time with immediate access to closing documents.



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# Built-In Security & Notary Oversight

- **Certified and Vetted Online Notaries** ensures only qualified professionals are handling your client's signing.
- **Secure Platform** utilizes encryption and advanced security protocols to protect sensitive information from unauthorized access or tampering
- **ID verification** prior to signing ensures real time authentication of the signer's identity, and helps ensure that fraudsters are not impersonating someone else to execute documents illegally.
- **Credential Analysis** uses advanced technology to analyze the authenticity of the ID provided. This analysis can detect subtle signs of tampering, fraud or forgeries in the signer's ID.
- **Increased confidence for all parties** by using multiple layers of verification, the notarization process becomes much more secure and reduces the chance of fraud.
- **Audio/video recording** ensures the integrity of the transaction and can resolve disputes should issues or claims of fraud surface after signing
- **Secure document and video storage** ensures that sensitive information is protected from unauthorized access during and after the transaction.



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# Thank You!

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