

Real Estate Tip of the Week - Electronic signatures: stay alert to spoofing risks!

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As we continue to adapt to the essential changes that have been made to the use and management of premises in response to the COVID-19 outbreak, we have also rapidly changed the way we approach transactions.

In one of our [previous tips](#) we considered how the use of electronic signatures was, belatedly, gathering pace in the property sector. This approach has now been embraced by many businesses who have updated, or are in the process of updating, their systems and procedures to allow for documents to be signed electronically and there are several platforms available to facilitate this.

Although this approach can be of great assistance in preventing transactions being delayed, or falling away entirely, it is not without risk. Unfortunately, all methods of signing are susceptible to fraud and electronic signatures seem especially vulnerable to spoofing with opportunities for platforms' websites to be hacked.

People should continue to comply with high level due diligence requirements when preparing for the exchange and completion of a property transaction and also be alert to the additional risks associated with the use of electronic signature platforms. For example, in addition to the transaction specific advice you receive, you should also consider the following:

- Has your solicitor confirmed that all parties involved in your transaction have agreed to the use of electronic signatures and the procedure that will be followed?
- Is the platform sufficiently robust, e.g. does it comply with the relevant standards (currently the eIDAS Regulation)?
- Has the email and the electronic documentation you received originated from the email address/organisation previously confirmed to you by your solicitor?
- Does the document you have received for electronic signing reflect the final agreed version that your solicitor has already provided to you for your records?
- Have you received any unexpected requests/notifications in relation to the signing parties or changes to the documentation or the process?
- Is there a report (detailing an audit history log of the process) provided by the electronic signature platform at the end of the signed document; and does it contain anything unusual?

Any new approach brings with it a concern for the unknown, but we have systems in place and more detailed guidance available to assist with any new approach you decide to take with your transactions to allow your business to progress through these challenging times.

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