

N2K: Remote Online Notarization

Presented By:
John Crowley, Esq. &
Suzanne Singer

March 11, 2025



NJ Acknowledgments

NJSA § 46:14-2.1. Acknowledgment and proof a. To acknowledge a deed or other instrument the maker of the instrument shall appear before an officer specified in R.S. 46:14-6.1 and acknowledge that it was executed as the maker's own act.

- The officers of this State authorized to take acknowledgments or proofs in this State, or in any other United States or foreign jurisdiction, are: (1) an attorney-at-law; (2) a notary public; (3) a county clerk or deputy county clerk; (4) a register of deeds and mortgages or a deputy register; (5) a surrogate or deputy surrogate. (NJSA § 46:14-6.1)
- Any NJ officer can take an acknowledgment outside NJ

NJ Acknowledgments

- What about acknowledgements outside the United States?
 - Any officer of the United States
 - Any foreign service or consular officer or other representative of the United States to a foreign nation within the territory of that nation
 - Any officer of a foreign nation authorized at the time and place of the acknowledgement by the laws of that jurisdiction to take proofs and acknowledgements
 - If the acknowledgment does not designate the officer as a justice, judge or notary, the acknowledgment or an affidavit appended must contain a statement of the officer's authority to take acknowledgments or proofs.

NJ Acknowledgments

- **Acceptable Identification**
 - Picture Driver's license
 - Passport
 - Naturalization Papers
- **Un-Acceptable Identification**
 - Club Membership (BJ's, Sam's etc.)
 - Credit Cards (without additional ID)
 - Invoices or bills
 - Anything else

When In Doubt, Ask Questions!

Remote Online Notarization in NJ

- **Remotely Located Individual:** individual who is not in the physical presence of a notarial officer performing a notarial act.
- **Communication technology:** as an electronic device or process that: (a) allows a notarial officer and a remotely located individual to communicate with each other simultaneously by sight and sound; and (b) when necessary and consistent with other applicable law, facilitates communication with a remotely located individual who has a vision, hearing, or speech impairment.
- **Identity proofing:** a process or service by which a third person provides a notarial officer with a means to verify the identity of a remotely located individual by a review of personal information from public or private data sources.

Remote Online Notarization in NJ

- **Biometric identification:** using a human's physical or behavioral human features to digitally identify a person. Examples of biometric identification includes systems that use fingerprints and facial and voice patterns.
- **Digital Public key certificate:** an electronic credential issued by a trusted third party that is used to identify a person who signed an electronic record.
- **Dynamic knowledge-based authentication assessment:** identifying a person by asking the person a set of questions derived from public or private data sources for which the person has not been provided prior answers.

Remote Online Notarization in NJ

- **Foreign state:** means a jurisdiction other than the United States, a state, or a federally recognized Indian tribe
- **Outside the United States:** means a location outside the geographic boundaries of the United States, Puerto Rico, the United States Virgin Islands, and any territory, insular possession, or other location subject to the jurisdiction of the United States.

NJ RON Requirements

- A remotely located individual may comply by using communication technology to appear before a notarial officer.
- The law specifically provides that the notarial officer located in this State may perform a notarial act using **communication technology** for a **remotely located individual** by any of the following methods:
 - Personal knowledge of the identity of the individual;
 - Satisfactory evidence of credential analysis and identity proofing services to be used with **communication technology** required for remote online notarization; and
 - Satisfactory evidence of **identity proofing** by using at least two different types of identification (e.g. State Driver's License, U.S. Passport)

NJ RON Requirements

- The notary public verifies that the document being executed by the principal is the same document before the notary.
- The notary public creates an audio-visual recording of the performance of the notarial act to maintain in an electronic record; and
- Attachment of an electronic notarial certificate that includes a notation confirming that the notarization is an online notarization.
- The electronic notarial certificate must indicate that the notarial act was performed using communication technology.
- A notarial officer may select one or more tamper-evident technologies to perform notarial acts with respect to electronic records.

NJ RON Requirements

- A person may not require a notarial officer to perform a notarial act with respect to an electronic record with a technology that the notarial officer has not selected.
- Before a notary public performs the notary public's initial notarial act with respect to an electronic record, the notary public shall notify the State Treasurer that the notary public will be performing notarial acts with respect to electronic records and identify the technology that the notary public intends to use.
- If the State Treasurer has established standards for approval of communication technology or identity proofing, the communication technology and identity proofing must conform to those standards.

NJ RON Requirements

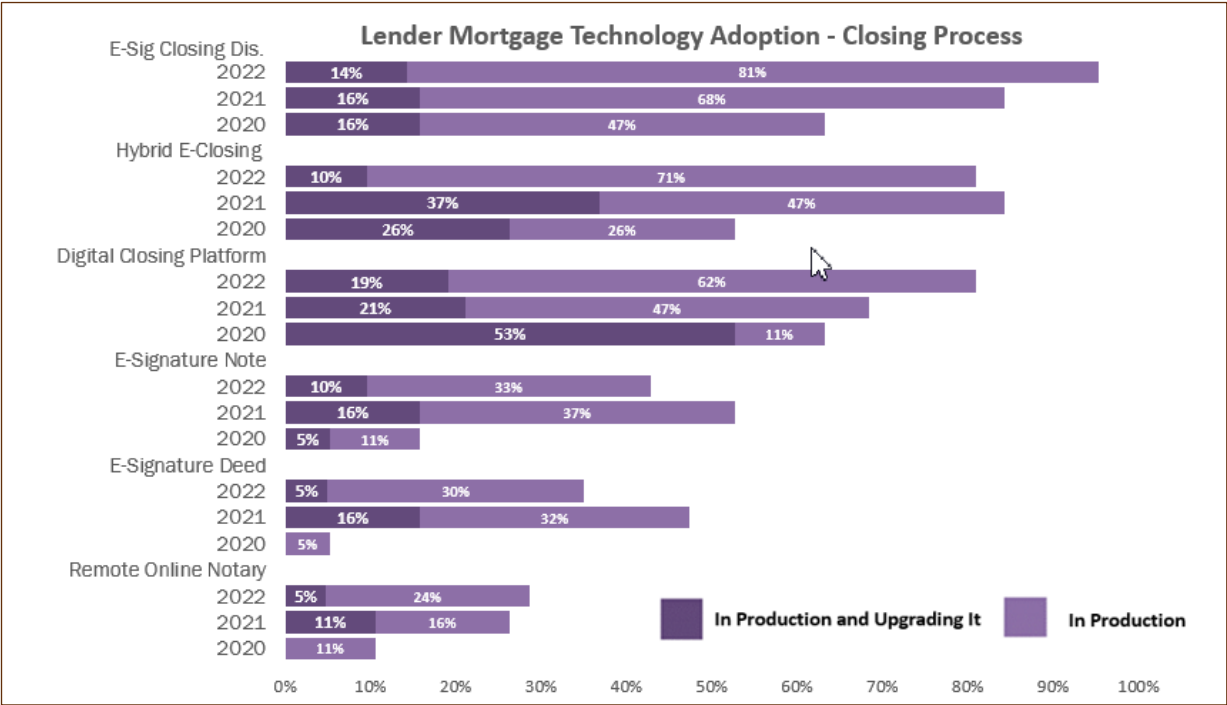
- County clerks or register of deeds and mortgages shall accept for recording a tangible copy of an electronic record containing a notarial certificate as satisfying any requirement that a record accepted for recording be an original, if the notarial officer executing the notarial certificate certifies that the tangible copy is an accurate copy of the electronic record.
- A notarial officer, a guardian, conservator, or agent of a notarial officer, or a personal representative of a deceased notarial officer shall retain the audio-visual recording created under this Chapter or cause the recording to be retained by a repository designated by or on behalf of the person required to retain the recording, for a period of 10 years.

RON Outside the US

- For a remotely located individual who is located outside the United States, ensures the record:
 - Is to be filed with or relates to a matter before a public official or court, governmental entity, or other entity subject to the jurisdiction of the United States;
 - or Involves property located in the territorial jurisdiction of the United States or involves a transaction substantially connected with the United States; and
 - The act of making the statement or signing the record is not prohibited by the foreign state in which the remotely located individual is located. iv. Completes a certificate and stamps the certificate in accordance with the requirements set forth in Chapter 6; and v. Creates an audio-visual recording of the performance of the notarial act.

Lender Adoption is Growing!

- 250 registered originators on the MERS® eRegistry
- 100% of lenders surveyed indicated that digital tech adoption is inevitable
- 76% predict total industry-wide adoption will happen in less than 5 years



SOURCE: MBA's 2022 Technology Profile Survey

Mortgage Investor/Agency Acceptance

Fannie Mae

- Dec. 13, 2023 updates to *Selling Guide* outline policies and procedural requirements for delivering eMortgages
- eClosings & eMortgages resource page includes:
 - eMortgage Readiness Checklist
 - Index of *Selling Guide* sections related to eMortgage
 - eClosing Scenarios overview
 - FAQ

Freddie Mac

- Released 2021 study in on impact of digital offerings to loan production costs
- eMortgages resource page includes:
 - eClosing implementation road map & checklist
 - eMortgage fact sheet
 - eMortgage case studies
 - eMortgage ROI calculator

Ginnie Mae

- Launched Digital Collateral program as pilot in October 2019
- First eNote securitized in January 2021
- Securitized 123,870 eNotes in 2023, a 129% YOY increase

MERS®

- Over 2 million eNotes have been registered with MERS
- MERS® eRegistry participants include:
 - 42 Warehouse Lenders
 - 34 Investors
 - 9 FHLBs + Ginnie Mae

Steps to a Secure Remote Online Notarization

Upload

Via order form or API



Meet

Signer and notary meet in secure online session



eSign

Documents are signed electronically



Complete

Documents are available for download

Schedule

Our team schedules signing

Verify ID

Credential analysis & KBA completed

eNotarize

Notary applies digital seal, locks document & applies tamper-proof seal

Benefits of RON for Mortgage Closings

- **Exceptional Borrower Experience:** Borrower can execute from anywhere at anytime. Never have to leave home or office and not limited to traditional office hours. Fast, convenient and secure.
- **Bank-Level “Know Your Customer” Verification:** More rigorous ID analysis, including sophisticated algorithms to verify the security elements and information on the ID presented by the signer during remote ID presentation and knowledge-based authentication based on information pulled from public records that only signer is likely to know.
- **Reduced Costs:** No printing of documents multiple times, no shipping costs, can immediately eRecord completed transaction all contributing to cost savings.
- **Fraud Prevention:** Higher level of customer verification due to two-way audio/visual recording and multi-factor authentication.
- **Risk Management:** Complete notary journal and audit trail for each transaction.
- **Record Storage:** 10-year cloud storage and access to video recordings.



Thank you!
