

New SBA Notice Paves Way for Electronic Signatures

Would you like your turnaround time on business loans to be quicker? How about an easier and more streamlined process? Electronic signatures may be just what your credit union needs.

The Small Business Administration (SBA) released a procedural notice late last year stating lenders may utilize electronic signatures in relevant lending documents, including SBA applications and loan closing documents. The notice was released in conjunction with the ESIGN Act (Electronic Signatures in Global and National Commerce) that took effect January 1, 2015.

The ESIGN Act (clever acronym) brings the SBA up to date with technology already in use by many private lenders and government agencies. In essence, electronic signatures are now treated as equivalent to handwritten signatures in most loan documentation scenarios. This is terrific news for credit union lenders, meaning speed, convenience and modernization. Electronic signatures empower users as consumers and lenders will no longer have to rely on "wet signatures" that required time-consuming trips to branches, emails and faxes.

Lenders and consumers may now simply sign off on digital versions of these documents. Overall the SBA loan process is now quicker and cheaper for lenders and consumers thanks to the ESIGN Act.

Lenders will benefit as well, in the form of greater efficiency and process streamlining. Unencumbered by the requirement to visit a credit union branch or take the time to fax or email scanned documents, your members can now simply complete an approved digital signature document, thus expediting the overall lending process for themselves and their credit union.

MBL can facilitate the use of electronic signatures. In fact, MBL has taken advantage of the ease and convenience of electronic signatures in-house for a number of years. Electronic signatures represent a great way MBL can work with clients to help streamline and modernize their own borrowing processes. For more information on MBL loan processes and how electronic signatures can improve the lending process in your credit union, contact Lyman Williams at (801) 545-7940.

Did You Know? Loan Documentation Services

Loan documentation can be a painful process. However, MBL offers turnkey loan documentation support. In fact, we can create loan-closing documents in all fifty states. We can also draw loan documents for all types of loan transactions. This means that we can assist clients during any step in the loan documentation process, whether or not we were involved in the loan origination.

MBL can assist with loan documentation needs for any size loan, from small to large. We can also help you craft loan documents specific to the needs of legal counsel, when those situations arise. MBL features an experienced in-house staff ready to help with all your loan documentation needs. We also feature an industry-leading two-day turnaround time on loan documentation work. For more information on how MBL can assist your credit union with its loan documentation needs, please contact us at closing@mblllc.com.