

Click-to-sign e-signatures are legal and enforceable

Click-to-sign is a simple method to apply an electronic signature to a digital agreement through a signer's click of a button at a website or via mobile app. When properly implemented and maintained, click-to-sign can be a highly effective legal electronic signature methodology, particularly for agreements embedded within online transactions and applications.

Click-to-sign, like other types of e-signatures, holds the same legal effect as a wet signature under the laws of the US, EU, and certain other countries for the vast majority of use cases. Strong support for the enforceability of click-to-sign electronic signatures in the US is found in the Uniform Electronic Transactions Act ("UETA") of 1999 – adopted by most states – and the Electronic Signatures in Global and National Commerce Act ("ESIGN") of 2000.

Legality of click-to-sign e-signatures

It's a common misconception that electronic signatures need to look like your "wet ink" signature. However, under the ESIGN Act, an electronic action is legally binding if the following requirements are fulfilled:

1. All parties agree to conduct the transaction electronically
2. The electronic action is tied to a contract or record
3. The contract or record is executed by a person with a clear intent to sign
4. The electronic signature must be linked only to the person signing
5. Signed documents must be viewed, printed, or saved by either party and stored for recordkeeping purposes

In other words, the ESIGN Act doesn't specify what an electronic signature must look like as long as it meets the above requirements. Therefore, click-to-sign serves as a great method for applying electronic signatures – they fulfill the legal requirements outlined in the ESIGN Act, while providing more efficiency.

Ensuring the enforceability of click-to-sign e-signatures

Being clear in intent and execution

Demonstrating a signer's clear intent to sign is essential to make an electronically-signed agreement legally enforceable. The digital agreement and the button or box used to capture the click-to-sign electronic signature should clearly suggest to the reasonable internet user that they are indicating their intent to sign. Organizations should consider elements such as colors, font sizes, use of capitalization, labeling, etc. to ensure their click-to-sign agreements are consistently enforceable.

Moreover, for an electronic signature to be binding, the digital agreement must follow the basic legal principles of contract formation. For example, a "meeting of the minds" must be established, meaning that all parties involved intended to agree to the contract's terms. This can be particularly important for "take-it-or-leave-it" agreements commonly used in online contracting, where a customer is asked to agree to terms that are non-negotiable.

Effective retention of records

To ensure that an effective click-to-sign process holds up in court, there must be sufficient evidence of each agreement. Organizations should establish and maintain a verifiable audit trail that documents all the details and terms of each click-to-sign agreement. This way, necessary evidence can be readily accessed in case of a legal proceeding.

Choosing a type of electronic signature

When determining whether to implement click-to-sign or other types of electronic signature methodologies, organizations should consider local regulations, complexity of their use case and agreement terms.

For example, while many international jurisdictions similarly support the enforceability of click-to-sign e-signatures for a range of use cases, some international laws – such as the European Union's eIDAS Regulation – may prefer certain kinds of electronic signatures for specific uses more than their US counterparts. An agreement requiring multiple signers, involving a high possibility of fraud, or requiring routing, would also warrant an eSignature methodology with more advanced workflow and recordkeeping capabilities.

However, many types of day-to-day agreements can benefit from the simplicity of click-to-sign. While organizations are well-advised to seek legal counsel to evaluate their contracting processes – especially when their business spans a range of jurisdictions – click-to-sign remains an efficient and effective option worthy of serious consideration.

Disclaimer: This article is provided for informational purposes and does not constitute legal advice. DocuSign disclaims all express and implied warranties, and we recommend that parties seeking to deploy electronic signatures consult their legal counsel.

About DocuSign

DocuSign helps organizations connect and automate how they navigate their systems of agreement. As part of its industry-leading product lineup, DocuSign offers eSignature, the world's #1 way to sign electronically on practically any device, from almost anywhere, at any time. Today, over a million customers and more than a billion users in over 180 countries use the DocuSign platform to accelerate the process of doing business and simplify people's lives.

DocuSign, Inc.

221 Main Street, Suite 1550
San Francisco, CA 94105

[docuSign.com](https://www.docuSign.com)

For more information

sales@docuSign.com
+1-877-720-2040