

DocuSign E-Signature Upheld in Court as Legal and Valid

DocuSign Certificate of Trust presented as evidence supporting a judgment in favor of the Plaintiffs in Superior Court of California Case No. CUD-13 644781

Background

3300 Clay Street, a property located in the Pacific Heights neighborhood of San Francisco, was the subject of a court case in the Superior Court of the State of California. WB Coyle, one of the property's tenancy-in-common co-owners, had lost his rights of possession of the property after failing to make payments on his portion of the mortgage and was in default of the tenancy-in-common agreement. The remaining co-owners were proceeding with a forced sale process of his two units and had executed purchase offers on March 14, 2013, to purchase the units. Mr. Coyle, understanding that he was going to lose his ownership interest, signed lease agreements with two tenants to rent each of the two units in order to undermine the value of the units and the building. He signed these agreements despite an order by arbitration proceedings that neither unit be rented to any third parties.

The Challenge

At the center of the dispute were the two lease agreements signed by the tenants. Both Mr. Coyle and the tenants claimed they had signed these agreements on March 1, 2013, prior to the former owner being divested of his ownership. The Plaintiffs in the case, the other co-owners of the building, believed the lease agreements had in fact been signed several weeks later, on March 18, 2013,

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"The most beneficial, persuasive evidence we were able to present was the testimony surrounding DocuSign and the actual DocuSign documents."

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– Mark Epstein,
Plaintiffs' Attorney,
Seiler Epstein Ziegler & Applegate LLP

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after the divestiture, when Mr. Coyle would not legally have been able to lease the units that he no longer owned.

A common challenge in litigation, this case came down to Mr. Coyle and his tenants' word against that of the Plaintiffs. **With two sets of witnesses and two different stories, often cases are decided on which witness is more credible. Fortunately in this case, however, the lease agreements in question were executed using DocuSign.** Damon Dean, head of DocuSign mobile product management, was called to testify in the case as an expert witness. Mr. Dean provided the court incontrovertible evidence based on DocuSign technology that Mr. Coyle and his tenants were lying about the date when lease agreements were actually signed.



DocuSign Stats

DocuSign processes millions of documents daily. Yet in every instance that DocuSign documents have been challenged, DocuSign has met the requirements for contract formation and has provided the necessary data to validate the underlying agreement. That is because DocuSign maintains a court-admissible certificate of completion that provides proof of the signing process – including who DocuSigned what, when, and where – for all parties in the transaction.

Because the documents were signed using DocuSign, Plaintiffs' attorneys were able to show the precise moment that these documents were created, electronically delivered, and signed.

Solution

Mr. Dean testified about the procedures used by DocuSign to track the time of creation of documents, their delivery to the intended recipients for signature, and the date and time that the recipients electronically affixed their signatures. Every signed DocuSign document comes with a certificate of completion that provides proof of the signing process to all parties of the transaction. This certificate includes information from the audit trail to establish the who, what, when, and how of the document-signing ceremony. DocuSign maintains a complete, automated history of every viewing, printing, sending, signing, or declining activity on a document. Once a document is signed, the certificate of completion is attached as proof of the signing process to all parties of the transaction.

Certificate of Completion		
Envelope Number: BE61E863B5544C489F5A7E65432B799D	Status: Completed	
Subject: Please DocuSign this document: Demo_Permission_Slip_v3.pdf		
Tracking Number:		
Source Envelope:	Signatures: 2	Envelope Originator:
Document Pages: 1	Initials: 0	Steve Anderson
Certificate Pages: 5		12 Median Way
AutoNav: Disabled		Austin, TN 38869
Enveloped Stamping: Disabled		steve.anderson_ds@yahoo.com
		IP Address: 174.46.233.200
Record Tracking		
Status: Original	Holder: Steve Anderson	Location: DocuSign
10/18/2013 3:14:24 PM PT	steve.anderson_ds@yahoo.com	
Signer Events		
Signature	Timestamp	
Alex Smith alex.smith.ds@gmail.com CTO Firma Galactic Security Level: Email, Account Authentication (None), Authentication Authentication Details SMS Auth:	 Using IP Address: 174.46.233.200	Sent: 10/18/2013 3:16:53 PM PT Viewed: 10/18/2013 3:20:41 PM PT Signed: 10/18/2013 3:21:05 PM PT
Transaction: SMe919e400f8a473ef9b5962192b914dc3 Result: passed Vendor ID: Twilio Type: SMSAuth Performed: 10/18/2013 10:20:31 PM GMT Phone: 2068009895 Consumer Disclosure: Accepted: 10/18/2013 3:20:41 PM PT ID: 293a3047-fe6b-44af-a255-9cbb33533a47 Company Name: GanWatt, Inc.		
Eve Alexander eve.alexander@docuSign.com Security Level: Email, Account Authentication (None) Authentication Details SMS Auth:	 Signed using mobile	Sent: 10/18/2013 3:21:11 PM PT Viewed: 10/18/2013 3:21:59 PM PT Signed: 10/18/2013 3:24:42 PM PT
Consumer Disclosure: Accepted: 10/18/2013 3:21:59 PM PT ID: b3a2154c-0202-4d89-ad1e-bba4291b1c4 Company Name: GanWatt, Inc.	Using IP Address: 166.137.186.140	
In Person Signer Events	Signature	Timestamp
Editor Delivery Events	Status	Timestamp
Agent Delivery Events	Status	Timestamp
Intermediary Delivery Events	Status	Timestamp
Certified Delivery Events	Status	Timestamp
Carbon Copy Events	Status	Timestamp

In this case, DocuSign's certificate showed that although they were backdated to March 1, 2013, the lease documents were actually created on March 18, 2013, delivered by email to the tenants for their signature, and signed by the defendants shortly before noon that same day. Mr. Dean's objective, third-party testimony and the actual certificates were key factors in the judgment being awarded in favor of the Plaintiffs. According to the Plaintiff's attorneys, Mr. Dean's explanation of how DocuSign works, its reliability, and the actual certificates that were entered as key pieces of evidence were vital in supporting the case.

Document Key Aspects of Your Agreement

DocuSign can provide electronic records that are admissible in evidence to support the existence, authenticity, and valid acceptance of a contract. All documents are digitally sealed with industry-standard technology that indicates the electronic signature is valid and the document has not been tampered with since it was downloaded from DocuSign. DocuSign also maintains a complete, automated history of every viewing, printing, sending, signing, or declining activity. Every signed DocuSign document also comes with a court-admissible certificate of completion that provides proof of the signing process to all transaction parties. With DocuSign, you can be confident you are relying on technology that satisfies current regulations and statutes, such as the Uniform Electronic Transactions Act (UETA), the U.S. Federal E-Sign Act, and E.U. Directive 1999/93/EC, among others.

DocuSign technology allows you to make sure your signers are who they say they are. Multiple levels of authentication based on email, access code, SMS, phone, and geo-location increase the thresholds required by signers to prove their identity before accessing documents. DocuSign also accepts and records authentication by other systems that are integrated with DocuSign via industry-standard protocols.

About DocuSign

DocuSign® is changing how business gets done by empowering anyone to send, sign and manage documents anytime, anywhere, on any device with trust and confidence. DocuSign and Go to keep life and business moving forward.

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