

For Immediate Release

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DOD Takes Action to Provide Common-Sense Solution for Execution of Surety Bonds During the COVID-19 Pandemic

*Order Will Provide a Safe Working Environment and Allow Critical Infrastructure Projects to
Move Forward Uninterrupted*

May 5, 2020, WASHINGTON, D.C.— The Surety & Fidelity Association of America ([SFAA](#)) and the National Association of Surety Bond Producers ([NASBP](#)) commend the United States Department of Defense (DOD) for issuing a critical Order: [Class Deviation: Original Documents, Signatures, Seals, and Notarizations](#). The order, issued on April 30, 2020, is effective immediately and specifically provides “flexibility with regard to original documents, manual signatures, seals, and notarization in order to facilitate certain essential contracting procedures.”

“This common-sense action will provide a safe working environment to thousands of professionals, limiting the spread of COVID-19 and allowing essential infrastructure projects to move forward.” said SFAA President and CEO Lee Covington. “During these unprecedented times, it is needless to require wet signatures or corporate seals when there are other legal, effective and no risk options available,” added Covington.

“We commend DOD for acting so quickly in issuing this order and providing a safe working solution,” said NASBP CEO Mark McCallum. “DOD is the second federal agency to recognize this urgency. The GSA made a similar [announcement on April 6](#). It is imperative that public officials immediately issue orders in their jurisdictions to protect the health and safety of persons processing, executing and delivering needed protections in the form of surety bonds and to allow work on critical projects to begin and continue unimpeded,” added McCallum.

SFAA and NASBP have issued a similar [Request for Emergency Action](#) to other federal, state and local officials. These actions will become even more important as the economy “re-opens” for business as they will limit the need for thousands of workers to be in close contact with each other to execute these bonds. “We have been working hard across the entire country to communicate with state and local officials the importance of taking these actions,” Added Covington. To date Illinois, Michigan, Minnesota, Tennessee and Virginia have already taken formal actions specific to electronic execution and delivery, over 25 states have taken action to allow virtual remote notarizations in some form and a significant group of states are close to acting.

SFAA and NASBP encourage all surety professionals to read the [Order](#) in its entirety to become familiar with all the deviations permitted and specific procedures for processing and execution.

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[The Surety & Fidelity Association of America \(SFAA\)](#) is a trade association of more than 425 insurance companies that write 98 percent of surety and fidelity bonds in the U.S. SFAA is licensed as a rating or advisory organization in all states

and it has been designated by state insurance departments as a statistical agent for the reporting of fidelity and surety experience. www.surety.org

Founded in 1942, the [National Association of Surety Bond Producers \(NASBP\)](http://www.nasbp.org) is the association of and resource for surety bond producers and allied professionals. NASBP members specialize in providing surety bonds for construction contracts and other purposes to companies and individuals needing the assurance offered by surety bonds. www.nasbp.org