



For Immediate Release

Contact: Peter Roth Contact: Kathy Hoffman

SFAA NASBP

Phone: (703) 401-0676 Phone: (240) 200-1278

GSA Issues Order to Accept E-Signatures for Surety Bonds During the COVID-19 Pandemic Will Allow Critical Infrastructure Projects to Move Forward

April 9, 2020, WASHINGTON, D.C.— The Surety & Fidelity Association of America (SFAA) and the National Association of Surety Bond Producers (NASBP) commends the United States General Services Administration (GSA) for issuing a critical Order: Class Deviation — Flexibilities for Signatures and Seals on Bonds. The order, issued on April 6, 2020, will allow vendors and sureties to use electronic signatures in lieu of manual signatures and eliminate the requirement for any seals on the surety bonds. The GSA stated in their revisions to FAR, "neither requirement is conducive nor beneficial during times of emergency or crisis such as those presented by the Novel Coronavirus 2019 (COVID-19 pandemic)."

"The NASBP, SFAA and our industry members commend GSA for acting so quickly in issuing this order and we are working with other federal, state and local officials to issue similar orders under their authority," said NASBP CEO Mark McCallum. "It is imperative that public officials immediately issue these orders in their jurisdictions to allow work on critical projects to begin and continue, while maintaining important protections for construction firms, workers and taxpayers," added McCallum. This order extends to GSA contracts only and SFAA and NASBP have issued a similar Request for Emergency Action to other federal, state and local officials.

The order is effective immediately and remains in effect until rescinded or incorporated into the FAR and GSAR. "We thank GSA for having the foresight to recognize this need and take definitive action," commented SFAA President and CEO Lee Covington. "We strongly encourage other agencies and officials to follow GSA's lead and issue deviation orders for essential infrastructure projects. These projects are directly related to health, safety and the growth of our economy," added Covington.

###

<u>The Surety & Fidelity Association of America (SFAA)</u> 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 <u>National Association of Surety Bond Producers (NASBP)</u> 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