

# **VALERI Servicer Newsflash**

**Monday, March 25, 2013**

## **FOR YOUR INFORMATION**

### **Electronic Signatures**

VA has no objections to the use of electronic signatures on repayment, forbearance, or modification agreements between loan servicers and VA-guaranteed loan borrowers, provided they are readily identifiable during Post Audit. The Electronic Signatures provision in the Global and National Commerce Act (P.L. 106-229) provides that with respect to any transaction in or affecting interstate or foreign commerce, "a signature, contract, or other record relating to such transaction may not be denied legal effect, validity, or enforceability solely because it is in electronic form." However, VA cautions servicers to ensure compliance with all regulations governing VA-guaranteed home loans, including the requirement to obtain and maintain a lien of proper dignity (38 CFR 36.4354), in compliance with varying state and local real estate laws concerning documentation of modifications to existing loans. VA will not assume any liability for any loss—whether to the Secretary or the holder or investors—relating to the failure of the validity of electronic signatures. Further, any such failure could also result in a drastic adjustment of the guaranty claim payment pursuant to 38 C.F.R. 36.4328. VA also expects servicers to comply with 38 CFR 36.4333, Maintenance of Records, concerning documents with electronic signatures.

### **Servicer Point of Contact (POC) List in VALERI**

In December 2012, we implemented a system enhancement allowing servicers to create and update the Point of Contacts for all business area categories, such as Loss Mitigation, Adequacy of Servicing, *etc.*, directly in VALERI. We would like to thank those of you who have already completed this action. For the few that have not, we ask that you please complete this action as soon as possible. VA loan technicians will use the most current contact information that you provide in VALERI to send and respond to your inquiries.

### **Upcoming VALERI System Release**

Anyone currently having Administrative Rights in VALERI will be required to change their password every 30 days beginning with our system release on April 13, 2013. This action is being taken to enhance overall system security.

### **Updated Fee Cost Schedule**

Changes to the Fee Cost Schedule have recently been made, to include the appraisal fees for Alaska, Hawaii and North Dakota. We also made some minor corrections to fees that did not carry over accurately from the previous spreadsheet. The revised schedule has been uploaded to the VALERI Internet Site at [http://www.benefits.va.gov/homeloans/servicers\\_valeri.asp](http://www.benefits.va.gov/homeloans/servicers_valeri.asp).