# LEGAL WRITINGS (COUNTERPARTS AND DELIVERY) (SCOTLAND) BILL

# POLICY MEMORANDUM

#### INTRODUCTION

1. This document relates to the Legal Writings (Counterparts and Delivery) (Scotland) Bill ("the Bill") introduced in the Scottish Parliament on 14 May 2014. It has been prepared by the Scottish Government to satisfy Rule 9.3.3 of the Parliament's Standing Orders. The contents are entirely the responsibility of the Scottish Government and have not been endorsed by the Parliament. Explanatory Notes and other accompanying documents are published separately as SP Bill 50–EN.

#### POLICY OBJECTIVES OF THE BILL

#### **Summary**

- 2. There are two principal policy aims of the Bill, namely:
  - (1) to provide a clear framework by which parties may "execute a document in counterpart" under Scots law; and
  - (2) to provide a mechanism to enable documents created and signed on paper ("traditional documents") to be delivered for legal purposes by electronic means.
- 3. In this way the Bill implements all of the legislative recommendations contained in the Scottish Law Commission ("SLC") Report on Formation of Contract: Execution in Counterpart (SLC No 231; April 2013)<sup>1</sup>. The Report was published as part of the SLC's review of contract law.<sup>2</sup> Greater detail as to the legal and practical issues which informed the Bill are set out in the Report and also in the preceding SLC Discussion Paper on Formation of Contract (DP No 154; March 2012), both of which are available on the SLC's website.<sup>3</sup>

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http://www.scotlawcom.gov.uk/index.php/download\_file/view/1149/138/. Those recommendations not being implemented (21 to 25) relate to Chapter 4 Electronic Document Repositories and do not require to be implemented through legislation. They will be considered by the Scottish Government in due course.

<sup>&</sup>lt;sup>2</sup>http://www.scotlawcom.gov.uk/law-reform-projects/contract-law-in-light-of-the-draft-common-frame-of-reference-def/

<sup>&</sup>lt;sup>3</sup> http://www.scotlawcom.gov.uk/publications/

# **Execution in counterpart**

- 4. Execution in counterpart is the process whereby parties to a document sign separate copies of it and exchange them to create a legally enforceable document rather than having to arrange for all of them to sign the same document. They do so by each signing their own copy, or counterpart, of the agreement, and then exchanging these signed copies so that each party has signed copies of all the other parties' counterparts. In the words of an international commercial law firm's website, it is "when a party signs a separate physical copy of a document to the physical copy signed by the other party (or parties) to the contract. This is in contrast to where the same physical document is signed by all parties". Execution in counterpart is well recognised in English law as well as many other common law jurisdictions including New Zealand, Australia and the United States of America. The Bill provides for execution in counterpart of electronic as well as traditional documents but this process is far more likely to be used in relation to traditional documents, especially where the intention is to register the document. Given that Part 3 of the Requirements of Writing (Scotland) Act 1995 now allows parties to apply electronic signatures to an electronic document with legal effect for most documents, execution in counterpart will not usually be needed in purely electronic transactions.
- 5. As the quotation above makes clear, an alternative method of execution (or signing) is for all parties or their representatives to sign a single document (or, more typically, multiple copies of the document, each of which is signed by all parties). Under this method, parties or their representatives must either all meet up at the same time and place in order to sign the document (an event which is often called a "signing ceremony") or they may sign at different times, and probably in different geographical locations, typically sending the document from party to party until it contains all parties' signatures (the "round robin" method). By contrast, where a document is executed in counterpart there is no need for parties to meet together (thus avoiding what might be seen as the inconvenience of the signing ceremony) nor does one party have to wait for another party to deliver a partially signed document (thus avoiding the inconvenience of the round robin). In other words, signing in counterpart allows for execution of a document intended to have legal effect amongst two or more parties without the parties having to meet together to sign and without them having to collect signatures by circulating a master copy of the document. In consequence, execution in counterpart is now in common use in the commercial world.
- 6. There is, however, currently a great deal of uncertainty amongst Scots law practitioners as to whether a document can be validly executed in counterpart under Scots law. For example, a news item dated November 2012 on the website of the law firm Lindsays states: "Most importantly, you should note that signing in counterpart is not a valid method of signing under Scots law. If the relevant agreement is subject to Scots law ... then all parties must sign the same copy of the agreement in order for it to be validly signed."

http://www.cliffordchance.com/briefings/2012/09/boilerplate\_clausesinenglishlawcontracts.html/Boilerplate-Clauses-in-English-Law-Contracts-eng

<sup>&</sup>lt;sup>4</sup> Downloadable from

<sup>&</sup>lt;sup>5</sup>http://www.lindsays.co.uk/news-and-features/bulletins/bulletin/corporate-and-technology-bulletin---november-2012/

- 7. Parties to a contract are, under Article 3(1) of the Rome I Regulation,<sup>6</sup> able to exercise a choice as to the law which will govern their transaction. The convenience and efficiency of execution in counterpart has led to some Scottish practitioners opting to choose English law rather than Scots law to carry out transactions which are otherwise Scottish in nature. As a particular example of the current difficulties in this regard, Tods Murray LLP said in their response to the SLC's consultation on execution in counterpart that "The demands of existing Scots law are cumbersome and... lead to transactions being structured around English law (sometimes even with Scots law assets being dropped from the transaction entirely)." The effect of this is that fewer contracts are subject to Scots law and therefore fewer contracts result in litigation in the Scottish courts or arbitration under Scots law which may lead to a loss of business in Scotland.
- 8. It is thus clear that this is an area where reform is highly desirable. Reform will not only remove a practical barrier to the use of Scots law in commercial transactions but will also keep Scots law fit for purpose.
- 9. The Bill therefore establishes the validity of execution in counterpart as a method of creating legally effective documents in Scots law. It also recognises that this mode of execution requires delivery of the various counterparts between all the parties to the transaction. However, in order to prevent this requirement becoming burdensome in multi-party transactions, the Bill also permits the parties to have a nominee who is responsible for taking delivery of counterparts on behalf of all the parties, and who must hold and preserve what is received unless otherwise agreed. Appointment of such nominees (usually a professional person such as a solicitor) is common where execution in counterpart is used. The use of such a person also facilitates proof of delivery if necessary, and the parties may give the nominee other administrative functions in connection with the process if they so wish. The Bill allows but does not require the nominee to be one of the parties or an agent of one of them.
- 10. The provisions in the Bill that deal with execution in counterpart enable the counterparts to be treated as a single document. The single document can be made up of all of the counterparts in their entirety or one of the counterparts in its entirety with the signature pages of the other counterparts for attachment to the complete counterpart. The latter approach makes both registration and searching of the register more straightforward if the document is registered for preservation and/or execution in the Books of Council and Session. This is of importance in practice, for example where the transaction involves loans or leases of land.

# Electronic delivery of signed document

11. Scots law requires some documents to be "delivered" in order to take full legal effect. As already noted, once the Bill comes into force that rule will apply to all counterparts used for execution of an agreement in counterpart. There are various methods of delivery under the current law, the simplest being the handing over of the signed document by the signatory to another person with the intention that the signatory will be legally bound by the terms of the document. Another method is to record the document in a public register. But there is considerable doubt, certainly in respect of documents relating to land, as to whether a signed traditional document is "delivered" if a copy of it is transmitted to the other party or parties by

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<sup>6</sup> http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2008:177:0006:0016:En:PDF

electronic means such as fax or email. In other words, it is uncertain whether such a method of transmission will give rise to the document taking legal effect. The position is different for documents created in electronic form where Part 3 of the Requirements of Writing (Scotland) Act 1995 ("the 1995 Act") makes provision for electronic delivery.

- 12. This uncertainty is hugely unsatisfactory for practitioners and others. Even if the uncertainty were to be resolved by an authoritative court decision, as is a possibility, there is no guarantee that it would be resolved in favour of permitting delivery by electronic means. The Bill therefore seeks to provide certainty, by making it clear that a signed traditional document may be effectually delivered by electronic means and by specifying certain minimum conditions which must be met for such effective delivery. What is transmitted will normally be a scanned PDF of the document, which cannot readily be altered.
- 13. The Bill provides that delivery must be by a means and in the form which the recipient has agreed to accept. If there is no agreement, or there is uncertainty about the agreement or if the accepted method is impracticable then delivery can be by such means as is reasonable in all the circumstances. In this way, priority will be given to whatever arrangements parties reach between themselves with the possibility of fall-back arrangements should the need arise. An example might be where it has been agreed that delivery will be by email but one of the parties is left by supervening events such as travel delay or computer system failure in a place with access to a fax but not email.
- 14. The policy here differs slightly from what is provided for delivery of full "electronic documents" in the 1995 Act. Section 9F of the 1995 Act provides that delivery of electronic documents is effected electronically or by such other means as are reasonably practicable. The electronic document must be in a form the recipient has agreed to accept or which it is reasonable in all the circumstances for the recipient to accept. The assessment of what is reasonable in the circumstances can therefore override the form that the recipient has agreed to accept. In contrast, the Bill expressly gives priority to any agreement which the parties have reached as to the form and means of electronic delivery of a copy of the traditional document. Only in the absence of agreement, where there is uncertainty about what was agreed or what was agreed is impracticable, is there a need to examine what is reasonable in all the circumstances. This approach was the result of extensive consultation by the SLC on a formula similar to section 9F. Practitioners were concerned that reasonableness might trump or pre-empt what the parties agree. The Bill thus takes account of the concerns expressed on this point.
- 15. The Bill allows a copy of part only of a document to be delivered by electronic means so long as that includes the page on which the party has signed it and there is sufficient other material for example in page headers or footers to show that it is indeed part of the document actually signed. This is in line with what the SLC found to be general commercial practice in those parts of the world where execution in counterpart is already used. It avoids the need to rescan as a PDF the entirety of what is often extremely bulky documentation in which the only change is the application of the relevant signature.
- 16. The effect of this policy is that if, for example, it was intended to register a document executed in counterpart for preservation in the Books of Council and Session, it would be enough to retain one entire counterpart along with the signature pages of the other counterparts.

However, prior to doing so the single document, comprised of an entire counterpart and the signature page of the other counterparts, must be legally effective which means each counterpart must be delivered to each party or to a nominated party. However, since, as noted above, the Bill also allows electronic transmission of a copy of part of a traditional document to constitute legally effective delivery, it is not necessary for all the counterparts to be transmitted in their entirety for this result to be achieved.

- 17. The Bill does not make changes to the existing law on delivery in general but rather, as outlined above, it seeks to put it beyond doubt that a requirement for delivery of a traditional document may be met by electronic means. The SLC also gave full consideration as to whether the Bill should cover proof of delivery but decided against it. The preferred approach of the SLC and the Scottish Government has been to leave as much as possible to the control of parties, who where electronic delivery is concerned have the technical means to record the timing of an electronic transmission precisely. We would also expect parties to continue to seek confirmation that electronic delivery has been successful which will reduce the likelihood of disputes arising about whether or not effective delivery has occurred. As previously noted, under the Bill parties may also appoint a nominee to take delivery for them all and then to hold and preserve what has been received, thus further facilitating proof of delivery.
- 18. In the event of a dispute, the law currently takes a principled approach to resolving it by determining objectively whether, and if so when, a document has come under the control of the intended recipient. It is worth noting that we were unable to find a record of any such dispute so far in the courts of each jurisdiction of the United Kingdom. We are clear that the Bill does not create any additional difficulties with the law as it stands. A similar approach to proof of delivery was taken in the Requirements of Writing (Scotland) Act 1995 at section 9F which provides for the delivery of "full" electronic documents but makes no provision to deal with proof of delivery. The Minister for Energy, Enterprise and Tourism wrote to the Law Society of Scotland to ask for their view and the Law Society confirmed that any legislative attempt to specify what amounted to proof of delivery could only establish a presumption and could easily become outdated due to technological developments. Therefore they are in agreement that such matters should remain to be determined by the usual rules of evidence.
- 19. It is important to note that the general law does not allow the attachment of signature pages to a document which, in however minor a respect, is not the document actually signed by the party. The penalty of such a practice is the ineffectiveness of the document to which the signature page has been wrongfully attached. The burden of proof is on the party claiming the signature page is genuine, unless the document appears to be self-proving. Where a document appears to be self-proving, the burden of proof is on the party claiming that the signature page is not genuine. As stated above, the Bill does not exacerbate any existing difficulties with proof of delivery or the self-proving nature of documents. The Bill also does not prevent a pre-signed signature page being attached to a different document provided that it can be shown that the party concerned clearly authorised or mandated this in advance, or subsequently ratified what had been done with full knowledge of the content of the new document. The Bill does not change the existing position in this respect.
- 20. In meeting the two principal aims described at paragraph 2, the Bill achieves a number of specific policy objectives.

# Commercial expediency: savings in time and money

- 21. Execution in counterpart serves to reduce unwanted burdens and costs in the process of signing documents to bring them into effect. The saved costs are typically those of travel, time, and accommodation for all the persons concerned if a signing ceremony were to be held. The process is much quicker than the alternatives, particularly in comparison with a "round robin" procedure of circulating documents for signature using the postal system or courier services. Time is often a matter of urgency or significance in commercial matters, and a signing process which is quick and straightforward will bring obvious benefits. By contrast, the current options are likely to be seen as cumbersome and prone to add delay at the critical moment when parties wish to make their agreement final.
- 22. Allied to this, the choice of being able to deliver a copy of a signed traditional document (whether a counterpart or another document) by electronic means creates efficiency in comparison with other methods of delivery. Given the existence of reliable electronic communications technology and its increasingly common use, offering this method of delivery brings the law into line with general expectations both in the business community and for citizens more generally.

# **Commercial expediency: consistency**

- Mention was made in paragraphs 5 to 7 above about various ways of getting round the 23. current lack of consensus amongst Scots practitioners about the competence of execution in counterpart. But such "work-arounds" are not universally available. For example, the majority of public procurement contracts in Scotland obtained through the public procurement portal are subject to Scots law. This includes, for example, the contracts for the running of the Commonwealth Games 2014 as well as civil engineering works for local authorities. Furthermore, although parties are generally free to choose the law to which they wish their transaction to be subject, as mentioned in paragraph 7 above, the choice of law provisions of the Rome I Regulations do not apply to contracts relating to rights over heritable property (land and buildings) nor tenancies of such property (other than in relation to time-share properties). So contracts and documents relating to heritage in Scotland must be made according to Scots law. As a consequence, Scots law practitioners dealing with such transactions are faced with the current uncertainty over the legal validity of execution in counterpart, and the inability to deliver a traditional document by electronic means with legal effect. These added burdens in the public procurement and heritable property sectors are contrary to the policy of allowing ease of contracting in Scots law, and are removed by the provisions in the Bill.
- 24. A further area in which legal certainty will be enhanced by the Bill concerns the precise time at which a document takes effect. This can, on occasion, be critical; for example a floating charge has to be registered in the Register of Charges within 21 days of its execution or it will be void (note though that this does not affect any contract or obligation for the repayment of money secured by the charge). The procedure which is permitted under the Bill will allow parties to take full control of this aspect of the process and achieve a greater degree of certainty than at present.

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<sup>&</sup>lt;sup>7</sup> Companies Act 2006, s 889.

#### **Promotion of Scots law**

25. It has already been noted that the absence of a clear consensus amongst Scots law practitioners as to the competence of execution in counterpart means that English law is sometimes chosen in place of Scots law to govern transactions that are otherwise Scottish in nature. All legal systems should aspire to meet the needs of those who live under them and Scots law is no different in this regard. The current uncertainty over execution in counterpart and the inability to be sure that a signed document can be delivered electronically, damage the reputation of Scots law by limiting its use. A clear, positive and readily accessible statement of the law in a short statute will improve the standing and value of Scots law domestically and internationally, given the multi-jurisdictional nature of many of the transactions in which execution in counterpart can be deployed.

#### **Scottish Government National Outcomes**

- 26. The proposals in the Bill and Report on Formation of Contract: Execution in Counterpart (SLC No 231; April 2013) are in line with the policies underlying two of the Scottish Government's National Outcomes, which form part of the Government's National Performance Framework. These are:
  - "We live in a Scotland that is the most attractive place for doing business in Europe"<sup>10</sup>: as outlined above the Bill will make the execution of documents subject to Scots law more compatible with documents from other jurisdictions that are to be executed in counterpart. The benefits of the Bill will be shared throughout Scotland, as the Bill offers a means of completing transactions remotely which would be of particular benefit to those in remote communities.
  - "We reduce the local and global environmental impact of our consumption and productions" implementation of the Bill is likely to produce a reduction in the number of journeys made for the purpose of signing ceremonies and perhaps also in the volume of paper used for commercial transactions.

# The Digital Scotland Agenda

27. The Bill is firmly in line with Digital Scotland policy: 12 it will encourage the use of digital technology by permitting its use for the legally effective delivery of a copy of a signed traditional document.

# **Policy for the Global Economy**

28. The Bill will further the policy objective of efficiency of cross-border transactions, as parties in different countries will have the ability to complete Scots law transactions remotely in an efficient manner. This could reduce the incidence of the situation discussed in the response by Tods Murray LLP to the SLC Discussion Paper on Formation of Contract (DP No 154; March

<sup>&</sup>lt;sup>8</sup> http://www.scotland.gov.uk/About/Performance/scotPerforms/outcome

<sup>9</sup> http://www.scotland.gov.uk/About/Performance/scotPerforms/NPFChanges

http://www.scotland.gov.uk/About/Performance/scotPerforms/outcome/business

<sup>11</sup> http://www.scotland.gov.uk/About/Performance/scotPerforms/outcome/envImpact

<sup>12</sup> http://www.scotland.gov.uk/Topics/Economy/digital

- 2012), in which the Scottish aspects of a multi-jurisdiction transactions are, on occasion, excluded because of the complexities caused by the perceived lack of recognition of execution in counterpart in Scots law. One consequence of the Bill may be that Scots law aspects of transactions are retained which could provide a boost to Scotland's economy.
- 29. A significant number of Scottish law firms are involved with global networks of law firms, or have offices abroad, and the Bill will assist in minimising practical differences between executing documents in Scotland and other jurisdictions.

#### ALTERNATIVE APPROACHES

- 30. The only alternative approach considered is to allow the status quo to continue. If this approach was taken, the policy objectives discussed above would not be realised. Some policy objectives might be achieved by the courts under the common law but this cannot be predicted or guaranteed and would take very much longer than the statutory route offered by the Bill.
- 31. We see no benefits in this approach. The law in Scotland on execution in counterpart would be likely to remain uncertain and would continue to constitute an unnecessary hindrance to business, perhaps even resulting in a loss of business and economic activity in Scotland. The same applies to electronic delivery of signed traditional documents for legal effect, where a failure to set out a clear framework for the use of what is now relatively common technology would lead to great inefficiency for consumers and businesses alike and to a perception that Scots law is out of date.
- 32. Mr Rod MacLeod of Tods Murray LLP summarised the practical difficulties associated with execution in counterparts in an article in The Firm Magazine: "Although there are different tactics for coping with signatories executing in different locations for example, converting the agreement into a unilateral document that takes effect by notice and acknowledgement, or having the document executed under power of attorney, or sending trainees off to far-flung corners of the world to track down the elusive signatory these options aren't always available depending on the nature of the agreement or practical in the circumstances of the transaction. <sup>13</sup>" This situation will remain unless the Bill is passed.

#### **CONSULTATION**

33. Consultation was carried out by the SLC in accordance with the SLC's established practice in conducting law reform projects. But the SLC also innovated on its usual methods of consultation, as described in paragraphs 36 to 39 below.

# Within Government

34. The SLC Contract Law team, accompanied by the Chief Executive of the SLC, met with Scottish Government officials and discussed refinements to the final draft of the Bill for introduction.

<sup>&</sup>lt;sup>13</sup> http://www.firmmagazine.com/if-there-is-one-thing-that-really-annoys-me/ Mr MacLeod has since confirmed to the SLC that his opinion on this topic remains the same as in 2008.

35. The SLC Contract Law team also consulted the Registers of Scotland, an Executive Agency of the Scottish Government, at various stages of the project.

#### **Public consultation**

- 36. The SLC published a Discussion Paper on Formation of Contract (DP No 145) in March 2012 as part of the general review of contract law in the light of the Draft Common Frame of Reference (DCFR) undertaken as part of the SLC's Eighth Programme of Law Reform, which covered the topic of execution in counterpart and delivery of traditional documents by electronic means. Consultation responses were overwhelmingly in favour of statutory clarification of the validity of documents executed in counterpart in Scots law. There was also equal support for a legislative provision permitting the delivery of traditional documents by electronic means as this is an area which has caused great difficulty in recent years.
- 37. The SLC, in conjunction with the University of Edinburgh Centre for Private and Commercial Law, hosted a seminar on execution in counterpart on 29 November 2012, 14 and the SLC published a draft of the Bill for discussion on its website. 15 The event attracted around 60 legal practitioners and academics. Views expressed in the seminar were very much in favour of the Bill's initiatives; for example the Chair of the event, Lord Hodge, then a senior Court of Session commercial judge and now a Justice of the UK Supreme Court, stated: "I welcome this initiative very much. Our commercial law needs modernising; our law of contract needs to be reviewed; and there are measures which will be taken which will make us more user friendly and will address the needs of business. I particularly welcome it at a time when Scots law is under pressure." A number of written comments on the Bill were submitted to the SLC following the seminar, and these all expressed support for the Bill.
- 38. Following the seminar, the SLC released a revised draft of the Bill for further comments in January 2013, <sup>16</sup> which coincided with an article published in the Journal of the Law Society of Scotland written by Paul Hally of Shepherd + Wedderburn LLP. <sup>17</sup> This draft did not generate as significant a volume of comments as the previous draft, but responses again focussed on drafting issues whilst expressing support for the overall concept of the Bill.
- 39. At each stage of the consultation process, members of the legal profession and the public were able to comment on the proposals, and the SLC actively encouraged a number of legal practitioners to comment on the draft Bill. The SLC did not at any stage of the consultation process receive comments to the effect that statutory provision on execution in counterpart nor on delivery of traditional documents by electronic means would have adverse effects on Scots law.

# **Scottish Government input**

40. More recently the Minister for Energy, Enterprise and Tourism has written to a range of business representative bodies highlighting how the Bill will be particularly helpful in not only

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<sup>14</sup> http://www.scotlawcom.gov.uk/news/seminar-on-execution-in-counterpart/

<sup>15</sup> http://www.scotlawcom.gov.uk/news/draft-execution-in-counterpart-scotland-bill/

<sup>16</sup> http://www.scotlawcom.gov.uk/news/execution-in-counterpart-final-chance-to-comment/

http://www.journalonline.co.uk/Magazine/58-1/1012099.aspx

commercial legal transactions but also its wider application and potential to smooth and simplify any transactions, particularly those where a solicitor has not been instructed but which involve different parties in different places who want to record their agreement in writing but would rather not or cannot meet in person.

- 41. A draft Bill was published as part of the SLC Report on Formation of Contract: Execution in Counterpart No. 231. The Bill as introduced has been revised. The revisions are the result of discussions between the SLC and the Scottish Government. None of the revisions alter in any way the original policy aims of the Bill as set out in the SLC Report. Rather, the revisions are, in the main, technical and are minor in nature.
- 42. The Scottish Government re-ordered sections 3 and 4 of the Bill on the basis that what was section 4 of the SLC Bill related to the application of the counterpart proposals to traditional documents and electronic documents and was therefore more clearly linked to sections 1 and 2 rather than the provisions on delivery. The most substantive amendments have been made to what was section 3 of the SLC published draft (Delivery by electronic means of a traditional document) now section 4, to clarify that what is delivered by electronic means is a copy of the traditional document. Section 5 of the SLC Bill was removed as it is unnecessary to say that legislation does not have retrospective effect. The Scottish Government also included powers for Ministers to commence the legislation rather than having automatic commencement and ancillary powers in case these are necessary to give full effect to the Bill.

# EFFECTS ON EQUAL OPPORTUNITIES, HUMAN RIGHTS, ISLAND COMMUNITIES, LOCAL GOVERNMENT, SUSTAINABLE DEVELOPMENT ETC.

# **Equal opportunities**

- 43. The Bill is facilitative, offering new and additional ways of achieving certain goals but without making their use compulsory. Those who wish to continue to use existing ways of achieving the same goals are free to do so. In saying this we acknowledge that, in relation to electronic delivery of a document, it is only possible if the sender has access to an appropriate electronic machine (and is not prevented, whether by disability, a belief system, or for any other reason, from using it). We do not assume that everyone has such access. But the proportion of people in Scotland in that category is diminishing, and the Bill does not in any way prevent these people executing and delivering documents as they might do at present.
- 44. For these reasons we conclude that the Bill will not impact negatively on a person by virtue of their particular religion, belief, age, sexual orientation, gender, race or ethnicity. As such, the Bill will not in any way hinder access to equal opportunities.
- 45. Viewed positively, the Bill would in fact further the equal opportunities agenda in relation to those affected by physical disabilities, as it would allow them to execute documents remotely and then deliver them electronically from the convenience and safety of their own homes and workplaces, and so more easily engage in commerce and further their interests, whether in business or in everyday life.

# **Human rights**

46. As the Bill simply offers an optional means of validly signing and delivering a document, we are confident that the proposals do not raise any human rights issues.

# **Island communities**

47. As businesses and individuals in remoter parts of Scotland would be able to execute and deliver documents without the need for difficult and costly travel, the Bill is considered to be beneficial for members of the island communities. No detrimental effects are anticipated.

# Local government

48. We do not anticipate any adverse effect on local government. The proposals update Scots law generally, and are not of particular relevance to any part of Scotland or any local authorities. Local authorities, like any other person, will be able to take advantage of the Bill's provisions.

# Sustainable development

49. We believe that the Bill will have a positive environmental impact. Provision that a copy of a traditional document can be delivered electronically for legal purposes may result in a reduced consumption of paper, as parties may choose to deliver bulky documents by electronic means rather than print them out in full and send them by post. Additionally, there is likely to be a reduction in rail and air travel made solely for the purposes of signing documents at a signing ceremony.

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