

Can a Witness to a Notarization have a Financial Interest in the Notarized Document?

The role of the Notary Public in society is of vital importance. When a Notary places his or her [notary stamp](#) and signature on a document, the document recipient or the receiving institution automatically assumes that the Notary has executed their responsibility correctly. This means that the Notary has maintained impartiality, has performed notarial duties according to State law and has acted with the utmost integrity. As such, all notaries understand that they are prohibited from notarizing any document in which they would have a beneficial or financial interest in the transaction. Accordingly, when a document requires the signature of a witness - this may occur on real estate documents being executed for recording in a state which requires witnesses; or during the transaction of a document in which the principal signer does not have any form of acceptable identification - the same restrictions must be placed upon the witness as are placed upon the notary.

Witnesses should not have any type of beneficial or vested interest in the transaction. Therefore, the witness(es) must not be able to enjoy any present or future benefit or financial gain arising from the transaction. While notary laws do not necessarily directly address this issue, the Notary must assure, to the best of their ability that the transaction has been executed correctly and with integrity, leaving no room for future liability or legal challenge. Accordingly, family relations of the principal signer should not be selected to act as witnesses to transactions as there may be a future benefit or financial gain that is not obvious. Neighbors and co-workers make good witnesses and, when it is not a question of verifying identity, a stranger will actually suffice. In that case, the witness is just declaring by his or her signature that they have witnessed the principal signer sign the document. Notaries are well advised to have witnesses sign their journals or notary record books along with the principal signer. In every way, effort should be made to maintain the integrity of the transaction. This is the type of reasonable care that will provide protection for the notary - and the principal signer - if the transaction is ever questioned or examined in a legal proceeding.